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The Most Sovereign of Masters: The History of Opium in Modern Iran, 1850-1955

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Abstract

This study surveys a century of commercial opium production in Iran, from 1850 to 1955. From an insignificant contributor to the global opium market, Iran became within a few decades an important exporter, turning to the market between 5-10% of the entire global production of opium. Opium-poppy cultivation and opium production formed part of a larger process of transition within the agricultural sector to cash-crop production. Under the growing pressure of increasing imports of European manufactured goods and the collapse of the local manual industries, the production of cash-crops, and particularly opium, was intended to balance Iran's trade deficit. The combination of timely political changes in China, technological improvements in steamboat navigation and a high-quality product, enabled the successful integration of Iranian opium within the global opium market. This success stands in contrast to the usual negative evaluation of Iran's social and economic reforms during the later 19th-century.

Parallel to the rise of opium production, opium consumption -- particularly opium smoking -- became very popular in Iran. The extent of this phenomenon caused concern among the country's political and cultural leadership, but the proponents of the anti-opium cause in Iran were never zealots, nor did they wield the sort of political power that matched the influence of anti-opium organizations in the US, Europe and China. Iran was early to join the diplomatic efforts to end the opium trade in the 20th century, but it did so mostly in order to reject or postpone resolutions that would harm the Government's substantial opium revenues. In the end, the economic compensation that came with the larger share in the oil revenues, which Iran negotiated in 1954, and not internal political pressure by anti-opium groups, enabled Iran to forego its opium trade altogether.

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THE MOST SOVEREIGN OF MASTERS:
THE HISTORY OF OPIUM IN MODERN IRAN, 1850-1955

Ram Baruch Regavim

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THE MOST SOVEREIGN OF MASTERS:

THE HISTORY OF OPIUM IN MODERN IRAN, 1850-1955

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Ram Baruch Regavim

To Jade for her love, support and comfort.
You make me complete.

Judge me not harshly, O thou who hast never known
sickness -- ay, and for a while partial blindness -- in a
strange land, if in my pain and my wakefulness I at length
yielded to the voice of the tempter, and fled for refuge to
that most potent, most sovereign, most seductive, and most
enthraling of masters, opium.

E. G. Browne, *A Year Amongst the Persians*, p. 476

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ABSTRACT

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THE HISTORY OF OPIUM IN MODERN IRAN, 1850-1955

Ram Baruch Regavim

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This study surveys a century of commercial opium production in Iran, from 1850 to 1955. From an insignificant contributor to the global opium market, Iran became within a few decades an important exporter, turning to the market between 5-10% of the entire global production of opium. Opium-poppy cultivation and opium production formed part of a larger process of transition within the agricultural sector to cash-crop production. Under the growing pressure of increasing imports of European manufactured goods and the collapse of the local manual industries, the production of cash-crops, and particularly opium, was intended to balance Iran's trade deficit. The combination of timely political changes in China, technological improvements in steamboat navigation and a high-quality product, enabled the successful integration of Iranian opium within the global opium market. This success stands in contrast to the usual negative evaluation of Iran's social and economic reforms during the later 19th-century.

Parallel to the rise of opium production, opium consumption -- particularly opium smoking -- became very popular in Iran. The extent of this phenomenon caused concern among the country's political and cultural leadership, but the proponents of the anti-opium cause in Iran were never zealots, nor did they wield the sort of political power that matched the influence of anti-opium organizations in the US, Europe and China. Iran was early to join the diplomatic efforts to end the opium trade in the 20th century, but it did so mostly in order to reject or postpone resolutions that would harm the Government's substantial opium revenues. In the end, the economic compensation that came with the larger share in the oil revenues, which Iran negotiated in 1954, and not internal political pressure by anti-opium groups, enabled Iran to forego its opium trade altogether.

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INTRODUCTION

Guillaume-Antoine Olivier, who travelled in the Middle East at the turn of the 19th century, noted that “opium in Iran was like wine in (southern) Europe: although it was abundantly available, few drunks were seen in public.”¹ A British Foreign Office report from the end of the 19th-century recounts: “A large proportion of the population use opium as a drug. They are divided into two classes: the smokers and the eaters. The former may be classed with habitual drunkards who are past redemption.”² In a book-long report on the opium problem of Iran published in the 1920s, Dr. A. R. Neligan recounts that Iranians are among the first to lament the backwards condition of their country and discuss its various problems. But above all, “people of all classes, will assert that the habit [of opium] is a national disaster, a cause of deterioration and economic loss.”³ Opium in its various forms had long been present in Iran. Stone-age societies who lived in the area that is now modern Iran had known about the wonderful virtues of the juice collected from the ripen pod of the poppy flower. Today, more than a century after the first international treaty for fighting against the production, trade and consumption of opium was signed at The Hague in January 1912, opium and its derivatives remain widely used in Iran, which faces one of the largest concentrations of opiate consumers in the world.

¹ Rudi Matthee, *The Pursuit of Pleasure: Drugs and Stimulants in Iranian History, 1500-1900* (Princeton, NJ: Princeton University Press, 2005), 208.

² "Opium in Persia," *The Journal of the Anthropological Institute of Great Britain and Ireland* 23 (1894).

³ Anthony Richard Neligan, *The Opium Question, with Special Reference to Persia* (London: J. Bale Sons & Danielsson Ltd., 1927), 30-31.

The cultivation of poppies for the purpose of opium production was not a modern phenomenon in Iran, but rather an industry with a significant history. To trace the prevalence of the opium industry, this dissertation follows the production of opium roughly from 1850 and 1955. During this exciting period, opium production became one of the most important, if controversial, industries of Iran, responsible at times for 10% of the entire annual revenues of the Iranian government. This industry directly employed tens of thousands of Iranians, and hundreds of thousands more benefitted from it indirectly. For many peasants, the success of the opium industry brought a stable source of income on which they could count from year to year. Many of the big merchants, landowners and industrialists in Iran made their initial fortune by trading opium.

The rise of large-scale commercial opium production in Iran from the 1850s to the 1880s coincided with the historical peak of global opium production. No other period in human history saw the production and consumption of so much opium for both medicinal and leisure purposes. The presiding global drug prohibition regime under which we live since the beginning of the 20th century is partly a reaction to that period of excess. In 1955, decades after it had nominally agreed to be part of the international struggle against opium, Iran enacted a standard opium prohibition regime of her own.

Shifting the conventional focus of historiography from the political and the social has some notable scholarly advantages. Whereas political, social, cultural and economic historians who study the same period produce historical narratives that only vaguely interact to create a multi-layered consensus, a product as an object of historical study serves as a much better connection between the sub-disciplines of historical research.

Cultural historians may produce legitimate works of history while merely giving lip service to the work of political and social historians who studied the overlapping period. This is not possible when writing the history of a product. The economic history of opium is not possible without the political and diplomatic history of Iran, and certainly cannot be understood without the social history of opium smoking and the attempts to suppress it. Another value of product history is its ability to provide a stronger connection of continuity between the arbitrarily defined historical periods.

The history of opium in modern Iran has been studied before; however, the existing research is lacking in at least one of several ways. First, there is not a single narrative which describes the entire century of large-scale production of opium in Iran, but merely several separate narratives focused on the history of opium during specific periods, such as the late Qajar period or the early Pahlavi period, thus shifting the focus from opium to the political and the social. Second, most of the published works on the subject deal with only one or two aspects of the history of opium: The economic impact of opium but also the history of opium addiction and treatment in Iran. Third, as shall be seen, the existing historiography is ridden by mistakes and some factual errors, and it is prejudiced by a narcophobic discourse. The following dissertation attempts to overcome these lacunae and to tell the multi-faceted history of modern opium production in Iran as a multi-layered, harmonious and continuous narrative.

This work suggests that the surveyed period may be divided into four, mostly distinctive, phases. (I) The first phase, roughly between the years 1850-1880, consider the years during which opium production in Iran expanded rapidly and quickly established

itself as an important factor in the East-Asian markets. The flooding of the Iranian market with cheap industrial goods imported from Europe resulted in the dramatic decline of Iran's manual industries and the creation of a trade deficit, which was balanced by a no-less dramatic rise in the production of cash crops during the second half of the 19th century. New opportunities for trade in the East Asian markets, together with unique conditions for cultivation in Iran, made opium the most important and most successful of all cash crops during this era.

(II) During the second phase, from 1880 until after World War I, the production of opium reached a certain plateau and its expansion slowed down significantly. The rise of opium consumption in Iran itself and the dramatic increase in the political power of international anti-opium movements were the most important factors that shaped Iran's opium policy *vis-à-vis* the international effort to control and limit the production, trade and consumption of opium around the world, an effort of which Iran was a part of.

(III) The third phase parallels the rise to power and the monarchic rule of Reza Shah. Since the *coup d'état* of 1921 that first brought him to power until his forced abdication in 1941, Reza Shah's regime gradually consolidated its control over the opium sector in the state's hands and eventually monopolized it completely. Despite growing international pressure and the government's own concern over the high rates of opium consumption in the country, opium production, its export and internal trade did not decrease during this period, and only superficial measures were undertaken to treat what the government itself perceived as an opium problem. The contraction of the international markets for legal opium products alongside the economic pressures created by the

government's ambitious plans of reform in a time of global economic depression, motivated Iran to turn a blind eye to – and sometimes even to actively assist – large-scale illegal trade in Iranian opium.

(IV) The last phase coincided with the accession to power of Mohammad Reza Shah by the occupying Allied Forces during the early stages of World War II. Despite initial doubts by foreign observers, the governments that came to power during this period were much more serious in their intention to end excessive opium production in Iran and to align its opium policy with the international standards set by the international opium treaties. Only the ongoing economic pressures and the chronic instability of the political system prevented the implementation of a prohibition regime over opium. These obstacles were removed after the overthrowing of Mohammad Mosaddegh's government in August of 1953, as Iran re-negotiated the terms of its oil concessions to receive 50% of the oil profits. American funding for building up the Iranian armed forces and the construction of large infrastructure facilities flowed into Iran, as it became an important Cold War ally of the US. Under these new conditions, the continuation of opium production and trade became an unnecessary embarrassment for the Iranian government, and in 1955 the Iranian government declared a complete prohibition on the production, trade and consumption of opium and opium products..

For students of the history of modern Iran, I hope this work will contribute important insights to the ongoing debate over the evaluation of Iran's economic development during the modern period. Often scholars are quick to make over-arching assessments about what they perceive as either the failure or the success of Iran during

this turbulent time of change and reform. Closely examining the development of the opium industry reveals that a nuanced approach to what is considered “success” or “failure” is necessary in order to reach a balanced evaluation of this period. Whereas the existing literature provides only sporadic discussion of opium during detached periods of time, my work will offer a coherent narrative of opium and its impact on Iran throughout an entire century, a history that strives to change the focus from the occasional political turmoil to the long term social and economic developments.

Furthermore, this dissertation is one of the few scholarly works in the field of Qajar history that attempts to understand social and economic change in Iran within an eye toward parallel developments in East Asia, mainly India and China. Historians of the Middle East are well versed in the body of research describing the impact of political and economic development in Europe on Iran and the rest of the Middle East. However, little research exists about the impact of developments in East Asia on the Middle East. My dissertation shows that without understanding the history and the structure of the manufacture and trade of Indian opium, and the relations between this economy and the Chinese opium markets, it is impossible to understand the development of Iran’s opium business during the second half of the 19th century.

Drug historians are familiar with narratives that describe the path of a given society to modern drug prohibition, a process that more or less traverses similar stages: The consumption of a certain drug becomes popular among a certain group within a given society; the consumption of that drug is perceived by another group within that society as a problem; the latter group launches a campaign against the drug, recruiting

supporters from various segments of the society; the government is either apathetic to the problem of the drug or invested politically or economically in the trade of that drug; depending on the nature of the political system of the given society, the anti-drug group uses its base of support to pressure the government to change its position towards the drug issue. This narrative varies significantly, but at its base it is always an ideologically motivated grass-roots movement that uses its political influence to nudge the government towards a prohibition regime. The research below presents quite a different sequence of events.

Throughout the century of commercial opium production in Iran, there was some disapproval and even opposition to the growing rate of opium consumption in the country, but this dissent never amounted to anything that resembled the anti-opium movements in Europe, North America and China. Officially, Iran joined the diplomatic initiatives against the global opium trade and was among the signatories of the first Opium Convention signed at The Hague in 1912. However, Iran refused to accept the terms dictated by the Opium Convention, and throughout the first half of the 20th century it did not limit its production of opium in any significant way and did not undertake any serious move to reduce the number of addicts or prevent new smokers from joining the ranks of the habitual users. In the face of international pressure Iran indirectly assisted the smuggling of enormous amounts of opium, and its opium production did not stop even under foreign occupation during World War II. This research will present a new variant of the path to prohibition, one that goes through the government's economic and diplomatic calculations, without political pressure from a grass-root movement.

The dissertation itself is divided into three sections, including a total of seven chapters. The first chapter begins by a presentation of the basic biological facts about opium and the history of its production and trade from antiquity to the modern period. It then continues to survey the specific history of opium production, trade and consumption in Iran since antiquity until the first half of the 19th century, and explains the principles of the political and economic conditions in Iran prior to its transition into a cash crop producer during the second half of the 19th century. This period is then contrasted with the modernization of opium production in Iran since the second half of the 19th century, explained as a period of immense and rapid increase in the acreage devoted for poppy cultivation; a re-organization of labor and the production process in general; application of new methods of cultivation, collection and processing; application of new funding systems, and; the integration of Iran's opium business to the global opium market.

Chapter Two examines the historiography of this period and the various reasons, explanations and analyses suggested by scholars and other writers who have discussed the rise of opium production in Iran, its origins and its impact on Iran. A survey of the more anecdotal information about the origins of opium production in Iran, particularly the credit ascribed to personalities for "bringing opium to Iran," reveals that most of it is unreasonable and probably even incorrect given the historical context. A more in-depth analysis is devoted to the writing of scholars who studied the broader context of opium production in the late Qajar period. While placing the rise of opium production within the larger context of the transition to cash crops, different scholars offered quite different evaluations of the historical role of opium production in late Qajar history. Some view

opium as a positive economic force, viewing it as a successful venture that improved the living conditions of many and one that brought investment in infrastructure and early industrialization. Others suggested opium was a debilitating venture forced upon Iran as a result of conditions dictated by the imperialist West. The massive revenues of this industry strengthened the rule of those who were already in power and allowed them to avoid real reform and tightened their oppressive control over the population, which in turn did not benefit from the opium revenues at all.

The analysis goes on to discuss two major problems in both these approaches: First, the insufficient reference to the larger context of the global opium markets, particularly those of East Asia, within which the Iranian opium market operated. Second, the anti-opium bias present in both of the approaches that not only distorts the understanding of the historical role of opium but also prevents important questions from being asked. The chapter ends with an analysis of the great famine of 1871-1872, that for many years was considered a result of unrestrained opium production that came at the expense of wheat. Although scholarly study had already shown that this accusation is most probably wrong, this view appears to retain an ongoing hold in late Qajar historiography, and this study suggests some context to help understand the origins of this accusation.

Chapter Three offers a thematic analysis of the fundamental concepts of drug scholarship designed to bring to light the harmful impact of the narcophobic discourse on historical research. The chapter begins with an examination of the basic concept of drug, followed by a description of the various sub-fields of drug scholarship and the often

sordid inter-relations between them. It continues with an attempt to disprove many of the narcophobic myths and expose the way those erroneous concepts shape not only contemporary drug policy, but also our understanding of the past. The main goal of this chapter is to present the subjective and culturally-dependent nature of the concept “addiction” and the surprising lack of strong scientific evidence which supports the general perception of this concept as a well-understood form of a disease. Too often this problematic concept was used to explain away questions regarding the drug trade. The belief in the power of addiction was so entrenched that standard historical questions, such as questions regarding the success of opium marketing in a given region, were not even asked since the success of drugs was assumed to be obvious, given their “addictive” nature. Refusing the all-too-easy explanations of “addiction” and “loss of control” opens up opportunities to ask new historical questions about drugs and their trade, questions considered otherwise as too obvious. Asking what made Iranian opium so successful in the Chinese markets is a superfluous and tautological question for those who believe that “addicts” will purchase their drug no matter what the price might be, but an entirely legitimate question for those who reject the disease model of addiction.

Chapter Four combines these insights to present the function of the Iranian opium trade within the inner workings of the contemporary global opium market. The chapter begins with a description of the Indian opium monopoly developed by the East India Company since the late 18th century that enabled the Company to create a closed system of an almost total control over the Chinese opium market. This brings up the question of how Iranian merchants managed to sidestep the British trade network and penetrate the

Chinese opium market, a question only briefly discussed in the existing historiography. This work contends that the success of Iranian opium depended on its high quality and its introduction into the market at the right time.

Several factors were significant in making the 1850s and 1860s the right “historical moment” for Iranian opium in China: Improvements in steamboat navigation; the opening of the Suez Canal and the end of the Second Opium War in China. These developments gave market exposure to Iranian opium under favorable conditions. Due to the low cost of production and the much lower customs rate in Iran, trading in Iranian opium was highly profitable even if it sold for significant lower prices than the Indian brands. In addition to good timing, the producers quickly adapted their product to the demands of the global markets and managed to improve significantly the quality of the opium produced in Iran within a few decades. By the end of the 1880s, pure Iranian opium contained higher rates of morphine than the Indian brands, and Iranian-prepared opium fetched similar and even higher prices in the Chinese markets. Although some scholars are critical of the major role taken up by foreign trade in late Qajar Iran’s economic development at the expense of what should have been a “normal” transition from subsistence economy to industrialization, the opium trade is a clear example of how trade was in fact closely connected to improvements in production and the raising of standards.

Chapter Five discusses the opium business during the last decades of Qajar rule. A review of the published works on opium in Iran reveals that most of the research focused either on the rise of opium production during mid-19th century or on the

monopolization of opium during the interwar period under the government of Reza Shah. Developments in the opium sector were largely ignored or marginalized at best. The expansion of opium trade marked a crucial transitional period for Iran during which not only did it begin to respond and cooperate with the international campaign against opium, but also began facing its own problem of excessive opium consumption. By the end of the 19th century, the large array of anti-opium groups - of diverse motivations, constitution and modes of activity - turned into an efficient political coalition that made opium into a critical political question. The Opium Commission, convened at Shanghai in 1909, became pinnacle of this coalition's achievements. The Commission set the ground for the 1912 Opium Conference at The Hague. At the conclusion of this conference, participating countries signed the first Opium Convention. Prior to these events, China had announced in 1908 its intention to ban completely the import of Iranian opium within a few years, a move that came into effect in 1912.

Opium consumption in Iran itself was on the rise since the 1850s, parallel to the modernization of opium production. Opium smoking, previously unknown in Iran, became very popular at the expense of opium eating. Some viewed opium as a common staple of hospitality and recreation in many Iranian homes. Opium was a product smoked by people of all classes, professions, sexes and ages. Alongside the rise in consumption, the previously carefree attitude toward the opium habit changed into disapproval among members of the ruling elite and the developing intelligentsia. However, the majority of Iranians did not share this assessment. Contrary to the US, Europe and China, Iran lacked a grass-roots anti-opium movement to pressure the political system.

Chapter Six contains an in-depth analysis of Iran's early opium diplomacy and its reaction to the international demand to reduce its production of opium and to act against its consumption within its borders. Despite having no economic incentive or internal political pressure to push for joining the anti-opium effort, Iran chose to cooperate with this initiative for various reasons, and acted within this context to ameliorate the terms of the treaties for the benefit of Iran's economic interests, while emphasizing Iran's commitment to act against the consumption of opium. Particularly during the 1912 Opium Conference at The Hague, the Iranian delegation was anything but passive in its constant attempt to divert the debates from the realm of trade limitation to the more convenient discussion over consumption limitations. Iran signed the Opium Convention presented at the end of that conference, but with a notorious reservation over an article asserting the responsibility of the signatory governments to monitor the export of opium from their own territory and actively to prevent smuggling of opium from their shores into countries that already prohibited its importation. The chapter continues with an analysis of Iran's domestic opium regulations legislated in the early 1910s in an attempt to structure an opium policy for Iran. Despite the meticulous details laid out in those regulations, a close examination of the law's language reveals that through this legislation the government attempted to attain no more than a supervisory position, and, unlike the role of the British Government in India and other colonialist governments in East Asia at the time, avoided monopolization of its opium sector. This situation remained relatively static until after World War I.

Chapter Seven provides a summation of the last two phases in the century of commercial opium production in Iran. Under the reign of Reza Shah, every aspect of the opium business became a state monopoly. Faced with growing difficulties in finding legitimate markets for its opium, Iran indirectly assisted merchants who converted large amounts of Iranian to the global illegal markets, a move that set Iran on a collision course with the League of Nations and the US. After the abdication of the Shah in 1941, Iranian governments that came to power supported the anti-opium cause and appeared willing to negotiate a plan with the international community to liquidate Iran's opium production, in return for an extensive substitute program and assistance in the construction of infrastructural facilities. However, the instability of the political system and its ongoing economic problems made the Iranian governments during that period (some of them served no more than a few months) hesitant to forego the important revenues created by the opium sector. This reluctance became apparent during the premiership of Mohammad Mosaddegh and the oil crisis that followed his government's move to nationalize the Anglo-Iranian Oil Company and its holdings. After the *coup d'état* of August 1953 and the re-negotiation of Iran's share in the oil revenues, the economic importance of the opium revenues to Iran's economy significantly shrank. In 1955, the new government moved to legislate and enact a regime of complete prohibition on the production, trade and consumption of opium in Iran, ending one chapter in this country's complicated history with narcotics.

SECTION 1

CHAPTER 1

Opium is the hardened dross of the opium-poppy flower also known by its scientific name *papavaram somniferum*. It contains a large variety of alkaloids with a vast array of pharmacological properties. Morphine and codeine are the more commonly used and recognized alkaloids, but other alkaloids attracted scientific attention for quite some time. Narcotine, for example, was thought in the 19th century to be a cure for malaria.⁴ The proportions of the alkaloids in the opium could vary quite substantially, depending on the type of flower, the area and method of cultivation and the timing of the sap collection. For example, throughout the 19th century, opium from the Ottoman Empire yielded between 10-13% of morphine and Indian opium yielded 4-8% depending on the area of cultivation. Persian opium yielded around 4-7% in the 1860s, but by the 1880s it yielded around 11-13%.

The use of opium is very ancient and archeological findings show that Neolithic societies in Europe during the 5th millennia BC were already familiar with opium and so did early Bronze Age societies in Mesopotamia around 3000 BC. Opium is a powerful pain-killer and a natural constipator; its consumption has soporific effects and most users report a sense of euphoria that follows its consumption. For many years, societies used opium to cure a variety of ailments. Pharmaceutical texts from various cultures and periods use countless opium preparations to treat an immense number of medical

⁴ Frank Dikèotter, Lars Peter Laamann, and Zhou Xun, *Narcotic Culture: A History of Drugs in China* (Chicago: University of Chicago Press, 2004), 83-88.

problems. In some cultures it was used as an aphrodisiac, though probably not as a sexual stimulant, but more as an inhibitor to assist the male to control and extend his sexual performance.⁵ It is important to remember that opium was consumed in many forms, compounds and concoctions, and that the name ‘opium’ does not represent a single product. For example, in Iran consumers traditionally took it in the form of small pills of molded raw opium; in India, a powdered form of opium was dissolved in water; and in post-Renaissance Europe an alcoholic tincture of opium called *Laudanum*, invented by the Renaissance pharmacist Paracelsus, and became the most popular form of opium consumption. The romantic poets and literati, De Quincey and Coleridge, famously consumed this form of opium.

A more modern method of consuming the drug, opium-smoking came at the heels of smoking tobacco. The first place where opium was smoked was probably the Dutch West Indies – today’s Indonesia – where tobacco soaked in opium solution, known as *madak*, was smoked by locals and sailors in the second half of the 17th century. *Madak* was brought by Dutch traders to the southern regions of China during the first half of the 18th century and quickly gained popularity there. However, it also gained the attention and disapproval of the imperial authorities who banned the smoking of opium mixed with tobacco, though allowing the importation of opium for medical purposes. This legal loophole combined with the improved quality of the Bengali opium produced in the areas

⁵ Anthony Richard Neligan, *The Opium Question, with Special Reference to Persia* (London: J. Bale Sons & Danielsson Ltd., 1927), 1-11; Dikèotter, Laamann, and Xun, *Narcotic Culture*, 88-92.

under the direct control and monopoly of the East India Company, may probably have been the cause for a move to smoking of pure opium.⁶

Smoking opium in China grew into an elaborate social ceremony that served multiple social purposes. Its preparation required some expertise, and most smokers had their opium pipes made by a professional. The habit involved elaborate smoking paraphernalia, which also presented an opportunity to display one's wealth (though rarely done in excess). Refined upper-class Chinese who smoked the most expensive Indian opium prepared by an opium master of an exquisite opium house, were a far-cry from the scandalous-ridden propaganda of the anti-opium organizations. Such individuals, seated on masterly crafted couches and using their personal gold-lined hand-crafted Jade opium-pipe, were often depicted as engaged in a devilish activity conducted in decrepit opium dens by the wretched of the earth.⁷

Since antiquity, societies had known about the soporific and analgesic properties of opium. It was also noticed that the effects of opium derived from various sources differed, and therefore modern scientists concluded that opium was merely a chemical compound containing an element in varying quantities responsible for these soporific and analgesic effects. In 1804 the German chemist Friedrich Sertürner isolated what he called "a soporific element" from opium and called it Morphinum⁸ after the Greek god of dreams Morpheus. It was the first alkaloid ever isolated from its plant source material, a

⁶ Dikèotter, Laamann, and Xun, *Narcotic Culture*, 32-39; David T. Courtwright, *Forces of Habit: Drugs and the Making of the Modern World* (Cambridge, MA: Harvard University Press, 2001), 31-36.

⁷ See a detailed analysis of opium as a marker of social status in Dikèotter, Laamann, and Xun, *Narcotic Culture*, 46-68. See also the highly-nuanced social analysis of opium smoking in China in Zheng Yangwen, *The Social Life of Opium in China* (Cambridge, UK: Cambridge University Press, 2005).

⁸ Or Morphine, with the typical English and French -ine suffix for alkaloids.

discovery that led to many more important discoveries in the 19th century like caffeine, nicotine, atropine, cocaine and many more alkaloids. The commercial distribution of morphine began only 20 years after the initial discovery by Merck.⁹ Morphine had a clear advantage over opium since opiate medications could now be prescribed in which the active ingredient was precisely defined as opposed to medications based on opium in which the amount of active ingredient was simply unknown.

Opium for smoking was valued for much more than just its morphine content. Taste, fragrance and consistency played a much more important role for the opium connoisseurs who were able to distinguish between various kinds of opium and analyze their qualities quite reminiscent of the analysis of professional wine tasters. To say that the morphine content was the most important quality of opium would be like saying that alcohol content is the most important quality of wine. In fact, Chinese opium smokers showed a clear preference for opium with a low morphine content of 4-7%, which was the normal morphine content in India opium, of both the Patna and the Malwa varieties. When Iranian merchants tried to sell higher-quality Persian opium with a morphine-content of 11-13% during the 1880s, it was rejected by smokers in China who found it too coarse and unpleasant. After that, pure Persian opium with high morphine-content was sent to Europe for use by the pharmaceutical market, while processed, adulterated, lower morphine-content opium was sent to China to be smoked.¹⁰

⁹ David F. Musto, "Introduction: The Origins of Heroin," in *One Hundred Years of Heroin*, ed. David F. Musto, Pamela Korsmeyer, and Thomas W. Maullucci (Westport, Conn.: Auburn House, 2002); Courtwright, *Forces of Habit*, 36-39; Dikèotter, Laamann, and Xun, *Narcotic Culture*, 147.

¹⁰ Dikèotter, Laamann, and Xun, *Narcotic Culture*, 8, 62-65.

Opium poppies had been cultivated since antiquity in various places around Central Asia, West Asia and South-Eastern Europe. In all those places the production of opium remained by and large a cottage industry until the end of the 18th century. Peasants considered opium an important cash crop, but for most farmers who grew opium-poppies and processed the opium independently, opium was only one segment of their agricultural production. The remainder was devoted to foodstuff such as cereal and fruits. The British East India Company undertook the first concentrated effort to produce opium on a large scale. The Company gradually monopolized and systematized the production of opium in the eastern provinces of India toward the end of the 18th. The cultivation of the opium poppy was greatly expanded, but also licensed and closely supervised. Peasants were encouraged to grow only opium in exchange for cash; company representatives bought all the raw opium produced in their territory and carefully processed it in the Company's own factories. The prepared opium was auctioned in Calcutta, and independent merchants then shipped it to Chinese traders, who took the risk of smuggling the opium into China, where it was nominally illegal.

After the initial success in that region, the Company turned to eliminate competition from the opium produced in the autonomous princely states of India, known as the Malwa states, and shipped from Portuguese ports on the Western coast of the subcontinent. The initial attempts to regulate the production of Malwa opium or at least to monopolize it by purchasing it in large quantities were a glorified failure. However, as British control of India expanded northward along the western coasts of the subcontinent, the Company gained an almost complete control over the shipment of goods through the

ports and a different system to profit from the Malwa opium was developed. The export of opium was prohibited from all ports except Bombay, where the authorities charged a hefty pass duty on every chest of opium. Since the shipping standards of the period forced almost every ship going from the West to China to dock at Bombay, the Company enacted a prohibitive duty on the importation and transshipment of opium through the Bombay port, in an attempt to block the flow of opium from other countries to East Asia. That policy was only partially successful, and as I will show later it did not block the arrival of Persian opium in the Chinese market and its establishment there as an important rival for Indian opium.¹¹

The region of today's Iran is among the first places in human history where opium was consumed. Some of the oldest descriptions of opium appeared in Sumerian sources discovered in Iran, and various sources described the production and use of opium consistently throughout the ages.¹² Opium from the Iranian regions was an item of trade since antiquity and fair amounts of it were sent to China already during the 14th century, although it was not a major article of export like silk, dates and spices.¹³ Reports from the Safavid period (1501-1722) show that the cultivation of opium poppies expanded in Iran during that time, as did the consumption of opium, particularly among the governing

¹¹ The classical analysis of the modern history of opium in India – though almost entirely based on British sources – is still David Edward Owen, *British Opium Policy in China and India* (New Haven: Yale University Press, 1934). The more recent works of Amar Farooqui add important new insights based on Indian and Portuguese sources as well as archives of documents by opium merchants of the period, not reflected in Owen's work. See Amar Farooqui, *Opium City: The Making of Early Victorian Bombay* (Gurgaon: Three Essays Collective, 2006); ———, *Smuggling as Subversion: Colonialism, Indian Merchants, and the Politics of Opium, 1790-1843* (Lanham, MD: Lexington Books, 2005).

¹² Neligan, *The Opium Question*, 1-11.

¹³ Rudi Mathee, *The Pursuit of Pleasure: Drugs and Stimulants in Iranian History, 1500-1900* (Princeton, NJ: Princeton University Press, 2005), 98.

elites who used it for recreational purposes. The general population consumed opium mostly for its medicinal properties, at times considered a remedy for most ills. Foreign observers of this era pointed out the difference between the widespread recreational consumption of opium in the Ottoman Empire as compared with the more casual medicinal consumption of opium in Iran. However, as Matthee has explained, the line between recreational and medicinal consumption was very fine indeed,¹⁴ not unlike the consumption of whiskey in 18th-century America.

The most common way of consuming opium was in the form of small pills of processed raw opium, but it was also consumed in a variety of solutions and concoctions like *kuknar*, the most common among them. Although the word sometimes relates simply to opium and sometimes to the poppy itself, *kuknar* is a dark brown bitter bouillon or liquor of poppy capsules which was very popular in Iran during the Safavid period and was still widespread in Central Asia during the 19th century.¹⁵ Adamiyat relates to a custom of drinking a solution of opium and wine¹⁶, which is also evident in a line from one of Hafiz's wine poems.¹⁷ However, Matthee more reasonably suggests that wine and opium operated in a kind of symbiosis in which opium consumption was the remedy for wine addiction and vice versa.¹⁸

¹⁴ Ibid., 100-01.

¹⁵ Alisher Latypov, "The Soviet Doctor and the Treatment of Drug Addiction: 'A Difficult and Most Ungracious Task,'" *Harm Reduction Journal* 8, no. 1 (2011): 14; Matthee, *The Pursuit of Pleasure*, 107-08.

¹⁶ Faridun Adamiyat, *Amir Kabir Va Iran [Amir Kabir and Iran]* (Tehran: Khawrazmi, 1355 [1976-7]), 399-400.

¹⁷ Quoted in Matthee, *The Pursuit of Pleasure*, 97.

¹⁸ Ibid., 102.

Historians typically view the eighteenth century as an interval of political instability and economic decline in Iran. Following the fall of the Safavid dynasty in the hands of Afghan raiders, the country was thrown into a near century of devastating civil wars, foreign invasions, population decline, and a drop in agricultural production. Even under the reign of Nadir Shah (1688?-1747), who regained much of the Safavid lands under Iranian control and declared three years of complete tax exemption in Iran after his successful raid on Delhi (1738-1739), Iran failed to enjoy political stability and economic prosperity. Repeated revolts and in-fighting plagued the country.¹⁹ Under these conditions it is reasonable to assume that opium production in Iran, like the production of virtually all else in Iran, declined significantly during the 18th century. However, there is little evidence suggesting that the consumption of opium in Iran was disrupted in a meaningful way despite royal decrees banning its consumption.²⁰ Whatever the extent of decline in opium production during that period, it was likely proportionate to the downturn of economic activity.

By the end of the 18th century the commercial potential of opium in the Chinese and European markets spurred a large-scale development of opium-poppy cultivation in India and the Ottoman Empire. Thus, Iran's opium production during this period should be understood as stagnation at best, and the economic decline of the 18th century as at least partially contributing to Iran's late shift into large-scale opium production and its delayed entry into the global opium-trade market.

¹⁹ Peter Avery, "Nādir Shāh and the Afsharid Legacy," in *From Nadir Shah to the Islamic Republic*, ed. Gavin Hambly and Charles Melville Peter Avery, *The Cambridge History of Iran* (Cambridge, UK: Cambridge University Press, 1991).

²⁰ Matthee, *The Pursuit of Pleasure*, 207.

In 1794, the Turkmen Qajar tribe headed by Agha Mohammad Khan defeated the last of the Zand and Afsharid dynasties, and re-unified Iran under Qajar control. Two years later, in 1796, Agha Mohammad Khan was crowned the Shah of Persia, the first of the Qajar dynasty (1796-1925). The stability brought about by the Qajar monarchy was quickly translated into an economic recovery and buildup. The population growth, the re-cultivation of arable land turned fallow, increased the agricultural production and the general economic activity in the country. Many in Iran expected the Qajars to renew the glory of the Safavid Empire, but the circumstances of the 19th century were very different than those of the 16th and 17th centuries. The 19th century was a period of imperialist pressures on Iran from both north and south, and the tribal armies of the Qajars proved to be no match for the modern armies of Britain and Russia. The clear military advantage of the imperial powers motivated their blunt involvement in Iran's internal matters and limited significantly Iran's ability to act independently in international affairs. Iran was forced to cede lands in the north to the advancing Russian armies, and surrendered to British demands to abandon a siege on Herat following a bombardment of Bushehr by a British men-of-war. The Industrial Revolution in Western Europe meant a flood of cheap imported manufactured goods that devastated the traditional guild masters and shifted Iran's trade balance in favor of import. Iran's pre-industrial agrarian economy was no match for the industrialized economies of Iran's imperial adversaries.

Iran's geographical location inadvertently made it the diplomatic battleground for British and Russian imperial ambitions, which made Iran the unwilling buffer state in the two-empires race to gain control over Asia in what was later called the Great Game. Both

Russia and Britain either defended Iran's neutrality against their adversary's encroachment and at the same time tried to gain more political and economic influence in Iran for their own benefit. Critics of the Qajars during the 19th century and afterwards argued that the despotic nature of the Qajar monarchy, its tendency for self-indulgence, its disinterest in the welfare of the people, its religious conservatism and the irrationality of the Qajar bureaucracy, were the reasons behind some disastrous decisions and policies that turned Iran into a pawn in the hands of the European Empires.²¹ Others suggested that decision-makers in Iran – including the Shah – were very much aware of the dangers Iran faced and acted within the realms of the possibilities they had, given the insurmountable military and economic advantage of the Empires they faced. These scholars point out that the Qajar Shahs, particularly Nasr al-Din Shah (1848-1896), were constantly involved in an active diplomatic balancing act, pitting the Powers against each other in an attempt to keep them from further encroaching on Iran's land and the independence of the monarchy.²²

At the onset of the Qajar era, Iran had a strong crafts and artisanship sector that was not only supplying the local market but also the markets of neighboring countries. Iran's agricultural sector was based on subsistence crops like wheat and barley, and it

²¹ Firoozeh Kashani-Sabet, *Frontier Fictions: Shaping the Iranian Nation, 1804-1946* (Princeton, N.J.: Princeton University Press, 1999); Nikki R. Keddie and Yann Richard, *Roots of Revolution: An Interpretive History of Modern Iran* (New Haven: Yale University Press, 1981); Hamid Algar, *Religion and State in Iran, 1785-1906: The Role of the Ulama in the Qajar Period* (Berkeley, CA: University of California Press, 1969).

²² Abbas Amanat, *Pivot of the Universe: Nasir Al-Din Shah Qajar and the Iranian Monarchy, 1831-1896* (Berkeley: University of California Press, 1997); A. Reza Sheikholeslami, *The Structure of Central Authority in Qajar Iran, 1871-1896* (Atlanta, Ga: Scholars Press, 1997); Guity Nashat, *The Origins of Modern Reform in Iran, 1870-80* (Urbana: University of Illinois Press, 1982). This "defense" of the Qajar Shahs does not necessarily negate the criticism against them, as detailed above, but mostly serves as an additional nuanced insight into the court's political and diplomatic conduct.

comprised only a small part of Iran's exports. This changed dramatically in the second half of the 19th century as a result of several developments. Most important was the growing commercial links of Iran with foreign markets, whether it was pursued willingly or imposed by the treaties Iran was forced to sign with Russia and Britain. As in many other regions of the world during that period, the flood of manufactured goods into Iran brought a sharp decline in traditional handicrafts and a reliance on imported manufactured goods that required cash.²³

However, the improved commercial links between Iran and the world meant also a potential for the growth of Iran's exports. Iranian merchants engaged in the importation of Western goods into Iran were simultaneously looking for export goods to offset the negative trade balance they created by their activity. Given the lack of modern industry or even the conditions to develop one, Iran was encouraged²⁴ to expand its cultivation of cash crops which resulted in the rapid growth in the cultivation of commodities such as cotton, opium, tobacco and dried fruits during the second half of the 19th century. Parallel to these developments, since 1864, Iran's existing cash crop, silk, took a major blow, as the silkworm population was decimated by the Pebrine disease that struck the growing areas in Gilan.²⁵ This decline probably gave an incentive and further provoked a sense of urgency to develop other cash crops that would compensate for the losses of the silk

²³ One exception was the production of carpets which actually expanded ten-fold during that period. See Gad G. Gilbar, "Persian Agriculture in the Late Qajar Period, 1860-1906: Some Economic and Social Aspects," *Asian and African Studies (Jerusalem)* 12, no. 3 (1978).

²⁴ By "encouraged" I do not mean an intentional foreign intervention, but a combination of circumstances and opportunities available at that period which I will discuss in details in the next chapter.

²⁵ Gad G. Gilbar, "The Opening up of Qajar Iran: Some Economic and Social Aspects," *Bulletin of the School of Oriental and African Studies* 49, no. 1 (1986).

industry. Thus, in the second half of the 19th century agriculture became the leading economic industry of Iran, with agricultural products in various levels of processing comprising almost all of Iran's exports. Even in the later decades of the 20th century, almost all of Iran's exports except oil were agricultural products, of which carpets (also considered fully processed agricultural products) encompassed only one-fourth.²⁶

At the same time, Iran suffered from some impairing structural problems. First among them was the growing economic burden of the pensions to the unproductive sectors of the Iranian elite, particularly the courtiers. The government's role in nurturing the turn to cash crops, and to opium cultivation in particular, was more important than most historians give it credit. However, the growing flow of income during the 1860s and the 1870s increased the government's appetite for expenses beyond what the inefficient taxation system of Iran was able to provide. Eventually, in order to fund the expensive demands of the Shah and the courtiers Iran took out loans from European banks in the early 20th century, loans with difficult terms of return.

Furthermore, the outdated system of land-ownership imposed another burden on Iran's economy.²⁷ Different forms of land-ownership existed in Iran, but the uncertainty of ownership became the common denominator among them. *Tuyul* lands, for example, the most recognizable form of land-tenure in Iran, were to be reverted to the crown in case the grantee died or if the Shah could simply appoint a different person to manage a

²⁶ S. K. Maclachlan, "Economic Development, 1921-1979," in *From Nadir Shah to the Islamic Republic*, ed. Peter Avery, Gavin Hambly, and Charles Melville (Cambridge: Cambridge University Press, 1991).

²⁷ Gad G. Gilbar, "The Persian Economy in the Mid-19th Century," *Die Welt des Islams* 19(1979); Hasan Hakimian, "Economy VIII. In the Qajar Period," *Encyclopaedia Iranica* (December 15, 1997), <http://www.iranicaonline.org/articles/economy-viii-in-the-qajar-period>.

tuyul plot. In reality, though, many *tuyul* owners could turn their *tuyuls* into hereditary private property. Great variation in taxation upon lands existed depending upon three factors: location; the specific relation of the grantee to the Shah; or simply the ability to collect taxes in a given area. This erratic system brought about abuse of the system for landowners tended to mistreat lands and the peasants under their control out of fear that their *tuyul* might be taken from them and passed onto another person.²⁸

Among the various cash crops of Iran, opium-poppy cultivation was particularly suitable for cultivation given the economic and social conditions that prevailed in the country during the 19th century. Although various methods of producing opium from the pods of the poppy-flower existed since antiquity and well into the early 18th century, one method had been reported from almost all opium-producing regions since the late 18th century with very few variations. This system remained in use in areas where opium was produced by manual labor either for legal or illegal consumption. Typically, the opium poppy (*papaver somniferum*) grows for about three months after it is sown. During that time the plant grows a stalk of about 1-1.5 meters (approx. 3- 5 feet) at the top of which a seed-pod grows with colorful flower petals that fall when the seed-pod ripens.²⁹ At that point the pod contains peak amounts of morphine-rich resin. The week or two following the fall of the petals is considered the best time to collect the opium from the seed-pod of

²⁸ Ann K. S. Lambton, "Land Tenure and Revenue Administration in the Nineteenth Century," in *From Nadir Shah to the Islamic Republic*, ed. Gavin Hambly and Charles Melville Peter Avery, *The Cambridge History of Iran* (Cambridge, UK: Cambridge University Press, 1991); ———, *Landlord and Peasant in Persia: A Study of Land Tenure and Land Revenue Administration* (London; New York: Oxford University Press, 1953); Gilbar, "The Opening up of Qajar Iran."

²⁹ White was the more common variety in Iran, while red remained popular in the Ottoman Empire. However, there were many other varieties of color. A research conducted in India proved that the color of the flower had no impact on the quality of opium produced from it. See National Archives of India (NAI)/Foreign Department (FD)/External-B/No. 525-527/December 1916.

the poppy. The outer walls of the pod are scored using a special knife in order to allow the stored sap to ooze out. The sap is then left to harden on the pod for about half a day and then scraped off the pod.³⁰ The hardened resin is defined as *raw opium*, and, when collected, the resin takes the shape of small brown-colored crystals. The climatic conditions in Iran, particularly in the southern regions, are ideal for the cultivation of poppies that thrive in areas where wet periods are followed by long dry periods. Poppies in Iran were usually sown around March, by the end of the wet season, and the opium was collected from the mature pods around May. In fact, some areas in eastern Iran could have up to three opium seasons, although peasants rarely took advantage of this potential before the modernization of opium production in the mid-nineteenth century.

Raw opium usually underwent preliminary processing almost everywhere it was produced. The methods of processing varied widely not only between places but also between traditions, purposes and economic situations. Generally speaking, raw opium crystals were moderately heated and then molded together to form a mass. That mass was either kept for personal use or packed in various forms and sizes. As long as the production of opium was sporadic and unplanned, opium was processed using domestic facilities, and it was packed in various sizes wrapped in poppy leaves. Merchants, who purchased opium in order to export it, either used the original masses of opium they received from the peasants or re-packaged the opium themselves. During the second half of the 19th century, domestic processing virtually disappeared and raw opium began to be

³⁰ The scoring was usually done during dusk or dawn. The dross was then left to dry on the pod throughout the night or day and collected in the following dawn. This method and similar other ones, were widely documented throughout the Ottoman Empire, Iran and India. Neligan, *The Opium Question*, 79-80; Willem M. Floor, *Agriculture in Qajar Iran* (Washington, DC: Mage Publishers, 2003), 442-45. Floor quotes a source that describes a slight variation of the method used in Kashan.

processed in large quantities in regional workshops. This opium, intended for export, was usually packed in the standard size of a chest. A chest of opium included about 150 opium “cakes” of sizes varying between 0.75-1.5 lbs. each, wrapped separately with paper or simply poppy leaves. Calculating an estimated weight loss of about 5-10% due to dehydration during the period of time between packing and delivery in China or Europe, the chests were intended to weigh about one Chinese *picul* at the point of disembarkation which is the equivalent of about 133.5 lbs. Opium prices, taxes and customs in the international market were therefore quoted per chest.³¹

Given the conditions of agriculture and peasantry in Iran during these years, it is not difficult to appreciate the advantages of opium-poppy cultivation and opium production for the peasantry. The yield of a poppy field was high in value but relatively small in bulk and could be easily carried on a single mule or even by hand. The product could also be preserved for a long period of time without spoiling. The Iranian plateau contained many remote and isolated villages separated by long, mountainous roads and away from any kind of commercial center. Given those conditions, opium became the ideal product for peasants who wanted to diversify their sources of income beyond mere subsistence. Even between large urban centers, there were few roads, and transportation remained arduous, long and dangerous. Thus, even if comparable crops in bigger bulks could attract similar or even higher market prices than opium, it would have been

³¹ See “A report by Mr. G. Lucas, Assistant Resident in Bushire” in NAI/FD/General A/September 1879/No. 31-33. See also, Floor, *Agriculture in Qajar Iran*. The exact weight of a *picul* could vary between places and time-periods. It should also be noted that “chests of opium” normally weighed 150 lbs. at the point of embarkation during the 19th century. However, during the 20th century reports and statistics refer to the weight of opium chests as 160 lbs. Generally speaking, ‘chests’ and ‘piculs’ are interchangeable.

difficult, expensive or maybe even impossible to transport them to a commercial center to be sold for those prices.³²

Of course, opium-poppy cultivation was not without risks: Frosts, or sudden floods, especially around the month of April could destroy an entire crop, and even regular amounts of rain during the collection period could cause severe damage to the collection process, since the resin would not harden in wet conditions. The risk was accentuated given the high cost of poppy seeds. As a result, most cultivators devoted only a small part of their land for poppies, while most of their land yielded subsistence crops like wheat and barley. The need for a short, labor-intensive effort during the collection period was another limiting factor on the amount of land appropriated for poppy cultivation, since there was no reason to grow more poppies than the labor at hand allowed handling.

The economic conditions of Iran facilitated the modernization of opium production in the late nineteenth century. I employ the term “modernization” without committing myself to the age-old theoretical debate regarding this concept. I use this term

³² Similar to these considerations, it is important to dispel another common notion about the contemporary drugs market as if the cultivation of opium poppies in Afghanistan or coca plants in the Andes were inherently more profitable for the peasants than other, more mundane, crops. In reality, the revenue of the peasants is not more than reasonable, and generally lower than the potential monetary return of fruits and vegetables. However, with the lack of infrastructure that would enable the fast transportation of sensitive crops to international (and even national) markets, the production of big bulk perishables is useless. In the later discussions between Iran and the League of Nations (as well as the US government) during the 1920s and the 1930s regarding substitution crops that would take the place of opium poppies, it was made clear that any substitution plan must include a major investment in infrastructure. See “Report to the Council”, *League of Nations – Commission of Enquiry into the Production of Opium in Persia* Geneva: Publications of the League of Nations Geneva, December 1926. Chapter III “The Cultivation of the Poppy and the Problem of Substitution”, particularly sub-section “F. General Considerations” that lists transport as the first topic of discussion. See also a summary of a conversation between an Iranian official from the Ministry of Finance and the American Consul in Geneva about the future of opium production in Iran, in US National Archives (USNA)/Record Group 170 (RG170)/BOX 18/Iran #1 - 1929-1940/October 7, 1930.

loosely to describe the process by which the quantitative and qualitative differences between Iran's opium business in the first and second halves of the nineteenth century were formed. In this sense, the term "modern" merely corresponds with similar developments that took place in other countries, either as part of the rise of capitalist industrialism and trade or as a direct (or indirect) result of it. I do not contend that the modernization of opium production was part of a large-scale socio-economic "modernization project" or that it defined the latter part of the 19th century as a "modern period" in Iranian history. Instead, I refer to a specific economic process that can be analyzed using pairs of binary categories: small-scale vs. large-scale; local vs. international; sporadic vs. organized; traditional vs. scientific; slow-reaction to changes vs. quick response, etc. The modernization of the opium production in Iran can be understood using these categories: as an immense and rapid increase in the acreage devoted for poppy cultivation; a re-organization of labor of the production process in general; an application of new methods of cultivation, collection and processing; application of new funding systems; and integration of Iran's opium business to the global opium market. This shift took place in a rather short period of thirty years, roughly between 1850 and 1880.

Prior to 1850, opium production in Iran remained marginal and intended for the domestic market. In the 1840s the total annual production of opium exceeded no more than 100,000 lbs., or about 750 chests of opium, much of which was targeted for the domestic market.³³ However, Willem Floor concludes that even this number may have

³³ K. E. Abbott, *Cities and Trade: Consul Abbott on the Economy and Society of Iran, 1847-1866*, Edited and with an Introduction by Abbas Amanat (London: Ithaca Press, 1983), 100-16.

been highly exaggerated. Judging by subsequent British consular reports, which focused more on the production of opium rather than on Iran's general economic status, it appeared that Iran had not reached an annual production of 100,000 lbs. before the 1860s. Floor concludes, quite reasonably, that the number 39,000 lbs., or 300 chests of opium quoted by Mr. G. Lucas, the Assistant Resident in Bushehr in a report from 1879, as the annual production of 1859, probably represents more accurately the annual production of opium in Iran during the first half of the 19th century.³⁴

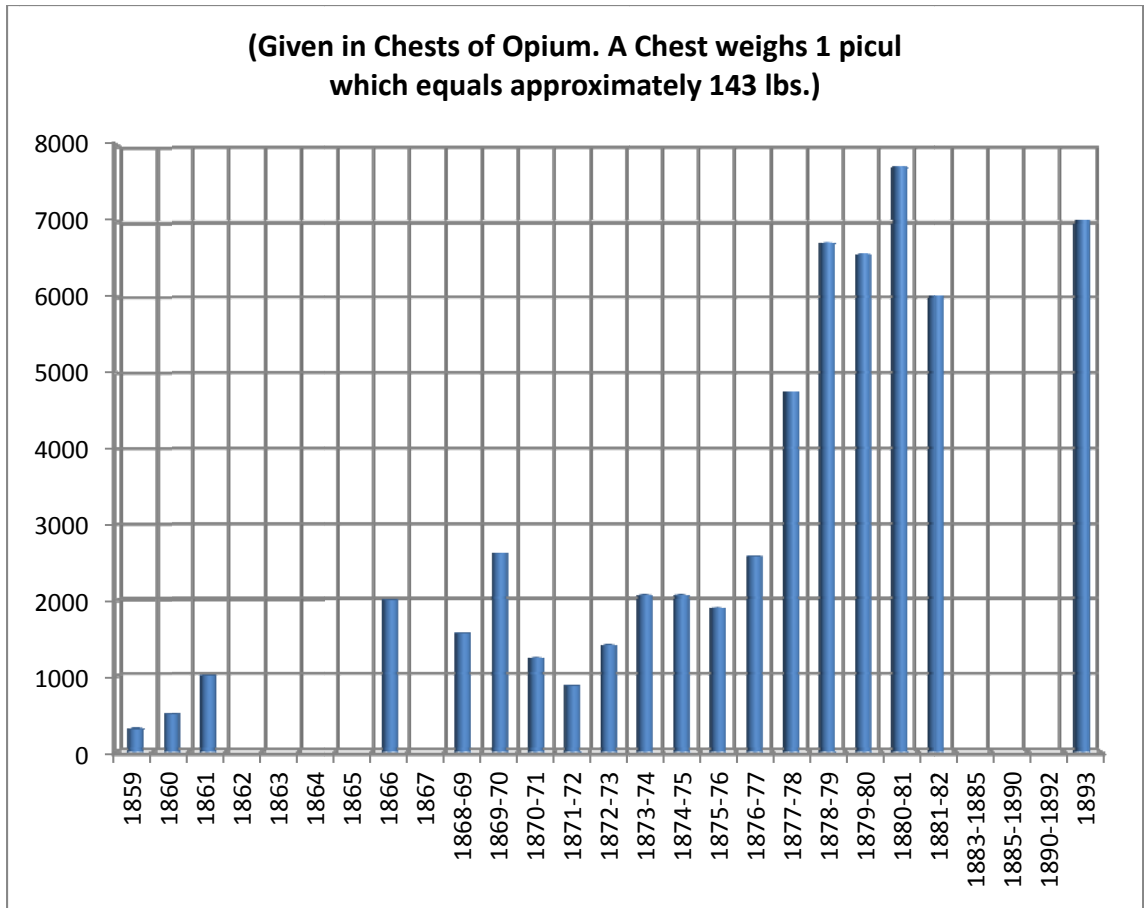
In another report on the opium production in Iran dated in 1869 Ronald Thomson, the British Chargé d'Affaires in Tehran, set the annual production of opium in Iran for 1868/9 at 15,500 *man-e shah*, which equaled approximately 209,000 lbs., or representing over 1,500 chests of opium. According to Thomson's report, the production in that year was double the production of opium in 1860.³⁵ Another account from Mr. G. Lucas from May 1879, estimated the yield of 1878/9 at 6,500 chests of opium (the equivalent of 860,000 lbs. or 400 metric tons).³⁶ According to this source the production of opium in Iran had increased more than twentyfold in approximately thirty years. The adulteration of opium in Iran decreased significantly during this time due to the Chinese market demand for a pure product, and thus the upsurge in opium production actually represented an even more significant increase of raw opium yield.

³⁴ Floor, *Agriculture in Qajar Iran*, 434-35.

³⁵ NAI/FD/Political A/July 1869/No. 260.

³⁶ NAI/FD/General A/September 1879/No. 31-33.

Chart 1: Opium Production in Iran, 1859-1892³⁷



³⁷ The chart was compiled from data collected from various sources. In most reports the data is merely an estimate, and in others probably based on data received from Iranian sources. In some sources it is difficult to differentiate between what is referred as the annual production and what as the annual export. NAI/FND/SRB/A Proceedings/May 1867/No. 28-41; NAI/FND/SRB/A Proceedings/April 1869/No. 10-18; NAI/FD/Political A/July 1869/259-260; NAI/FND/SRB/October 1871/no.39-41; NAI/FND/SRB/May 1877/No. 1-7; NAI/FD/July 1879/No. 8-11; NAI/FD/Secret E/December 1883/No. 117-119; NAI/FCD/A Proceedings/June 1896/No. 636-648.

Production and trade experienced extensive re-organization. In the first part of the 19th century peasants typically made the decision to grow opium-poppies independently, and the raw opium they collected was separately processed in a domestic environment. Before the 1850s farmers, cultivating either their own land or working as sharecroppers, would either retail the opium they collected and prepared in the market-place, or – as more often happened – they would sell it wholesale to a merchant. The relationships between merchants and farmers often appeared random and non-committing, and landowners paid little attention to opium over other crops. This outlook changed in the second half of the 19th century. New financial relationships emerged between farmers and opium merchants, with several variations depending on the type of land ownership.

Merchants began to buy entire yields of opium in advance, paying cash directly to the cultivators. For the peasants, this arrangement lowered significantly the risk they took upon themselves by growing poppies, because poppies tended to be fragile, and entire crops could be ruined due to untimely rains or frosts. Therefore, many considered it prudent to diversify their crops.³⁸ Merchants also found this arrangement advantageous arrangement because the rising demand for opium made their ability to secure access to raw opium an important link in the opium business. Diversification of investments guaranteed for the wise merchant access to enough opium even if some crops in given areas were lost due to inclement climate conditions. Similar to the development of the trade in Malwa opium, the proximity of the Iranian merchants to the peasants who cultivated the land gave them an advantage over foreign merchants, even if it did not save

³⁸ Floor, *Agriculture in Qajar Iran*, 439-41.

them from occasional bankruptcies due to the high level of speculation involved in this trade.³⁹ Opium-poppy cultivation spread to areas that had little previous experience with opium. Large-landowners either ordered their share-croppers to switch to poppy-cultivation, or as they turned fallow land into arable land, they used it for growing opium-poppies. Merchants who previously did not own agricultural property began purchasing land in order to develop it for poppy cultivation and hired farmers for this purpose.

Factories used to process large quantities of opium appeared in different regions of Iran, while the opium production in the home-environment of the peasant gradually became phased out. This development resulted in part from the merchants' dissatisfaction with the ubiquitous adulteration of the opium processed by the peasants themselves and reflected their desire to maintain control over the process.⁴⁰ Home-processing did not completely disappear, and remained quite prevalent in 1913 when the government considered regulations to divert all processing to government-approved facilities.⁴¹

The cultivation methods themselves were considered novelties of sorts in Iran. The manual method of scoring the pods and scraping off the hardened resin may seem "traditional" or "antiquated,"⁴² though they may have appeared as innovative in nineteenth-century Iran. Several accounts attest that new methods of opium cultivation

³⁹ The merchant paid the peasant in advance an amount based on what he believed would be the prices during harvest, but if the prices would drop by the time of the harvest (which occasionally happened) the merchant could be left with stocks of opium that were worth less than what he paid for them. The advantage of local merchants over foreign merchants did not mean the foreign merchants were not involved in the opium business, but they operated through "agents" who in reality were merchants with access to local growers, an access the foreign trade houses did not have.

⁴⁰ Floor, *Agriculture in Qajar Iran*, 445-49.

⁴¹ NAI/FD/Secret-I/March 1914/No. 17-18.

⁴² As opposed to the modern Poppy-Straw Method, in which dried pods of opium poppies are mechanically collected and chemically processed to extract the various alkaloids from the pods.

arrived in Iran from India to Iran. Although historians lack consensus about who should be credited with this initiative, it is clear that the Indian methods were deemed an improvement upon methods familiar to Iranians until the 1850s.⁴³ New scientific knowledge of chemistry likely informed these new modes of cultivating opium poppies and producing Persian opium. The discovery of morphine in 1807, accompanied by better understanding of the new chemical sub-field of alkaloids, allowed scientists to present a criterion by which to compare samples of opium from various derivatives to determine their quality, not simply by stating their morphine content, but also by identifying adulteration. Between 1850 and 1880 various sources cite a dramatic improvement in the quality of Iranian opium, and as a result Persian opium experienced a sharp rise in its prices. Europeans frequently tested Iranian opium in their laboratories. This feedback, coupled with the data coming from the international opium markets, resulted in improved cultivation and production methods.⁴⁴

This period witnessed the integration of Iran's opium business into the global opium market. By that I mean not only a shift in focus from a production that was initially intended for the local market to an export commodity, but also a significant qualitative difference between opium produced before and after 1850. At the start of the nineteenth century the exporting merchants bought opium from small producers the same way they bought other goods, and they exported opium as part of a larger shipment that

⁴³ Shoko Okazaki, "Arbab, Mohammad-Mahdi," *Encyclopaedia Iranica* (December 15, 1986), <http://www.iranicaonline.org/articles/arbab-aqa-mohammad-mahdi-b>; S. Shahnavaaz, "Afyūn," *Encyclopaedia Iranica* (December 15, 1984), <http://www.iranicaonline.org/articles/afyun-opium>. Both entries summarize the sources which are frequently used by others.

⁴⁴ See detailed discussion below.

included a range of other items. Willem Floor gives evidence of mere sporadic exports of Persian opium in small quantities in the first decades of the 19th century.⁴⁵ The merchants were rarely involved in, or understood, the cultivation and production processes themselves. Comparing various kinds of opium was difficult, and such comparisons depended more on reputation rather than on objective knowledge.

However, after 1850, the export of opium became a specialization of sorts. Opium exporters supervised closely the poppy cultivation, as well as opium collection and production. Often, they themselves financially invested in its production by giving loans to farmers who cultivated poppies or by owning land and hiring farmers to cultivate opium poppies for them. The immense increase of exports meant that some merchant ships left the ports of Iran carrying mostly opium, with other products, if there was any, loaded only if space remained. The feedback from international market demands exerted pressure upon and determined the market reaction in Iran. Price changes in the Shanghai and London markets had an immediate effect on merchant decisions regarding shipments and stock management in Bushehr. Shifts in taste in China had repercussions on the production standards of opium preparation, even in the most remote regions of the Iranian plateau.

Amirahmadi divides the Qajar period into four economic phases. He calls the third period, of 1864-1890, a “period of catastrophes and regress,” in which production generally failed, inflation increased and the devaluation of the currency continued. The fourth period of 1890-1926, he describes as a period in which Iran witnessed “a gradual

⁴⁵ Floor, *Agriculture in Qajar Iran*, 433-34.

incorporation into the world economy.”⁴⁶ However, Amirahmadi does not focus on the opium industry in his book, and, as shall be seen, the opium industry did not experience a serious regress during the 1870s and 1880s. Rather, the opium sector gradually became incorporated into the global economy during this interval.

⁴⁶ Hooshang Amirahmadi, *The Political Economy of Iran under the Qajars: Society, Politics and Foreign Relations, 1799 to 1921* (London: I.B. Tauris, 2012), 2-3.

CHAPTER 2

What motivations helped develop this particular segment of the local economy, and which economic circumstances enabled its success?

The historiographical literature offers numerous explanations. One group of scholars emphasizes the role of specific individuals and personal decision-making. In his book *Amir Kabir va-Iran*, Fereydoun Adamiyat argues that already during Amir Kabir's reign as the chief Minister of Nasr al-Din Shah (1848-1851), experimental cultivation of opium poppies took place in the outskirts of Tehran, although he claims mistakenly that only in 1870 had opium production reached export levels.⁴⁷ Likely, Adamiyat sought to separate the pre-modern and modern opium phases of opium production (though he does not name them as such). Subsequently, Adamiyat reports an affair during the early 1850s in which Iranian merchants complained about a ban employed by the British authorities in Bombay not only on the importation of Iranian opium into Bombay, but also on its re-exportation through the port. Mehdi Bamdad writes in his historical biographical collection that in the early 1850s, Mirza Hussein Khan Sepahsalar, who later became Mushir-e Dowleh, another well-known chief Minister of Nasr al-Din Shah, was First Consul of Iran in Bombay. Bamdad claims that it was Mirza Hussein Khan who communicated to Amir Kabir the potential profits to be gained from the export of opium to China and suggested that this industry be developed in Iran.⁴⁸

⁴⁷ Adamiyat, *Amir Kabir Va Iran*, 399-400.

⁴⁸ Mahdi Bamdad, *Sharh-i Hal-i Rijal-i Iran [Biographical Dictionary of Iranian Personalities]* (Tehran: Ketabforushi Zavar, 1347 [1968]), 411.

The independent historian, Abdollah Shahbazi, conflates these reports to construct an elaborate conspiracy theory about the allegedly corrupt connections between Mushir-e Dowleh and the Bombay-based Sassoon family and their scheme to bring the “evil” opium to Iran. According to Shahbazi, Mushir-e Dowleh received a fantastic amount of 150,000 Rupees by the Sassoon Company for his role in brokering the cultivation of opium in Iran and for lifting the British ban over the re-exportation of Iranian opium through Bombay. Supposedly, this deal brought enormous profits for the Sassoons through their trading initiatives in Iran.⁴⁹

Shahbazi was not the only scholar to rely on the accounts of Adamiyat and Bamdad in reconstructing the role that key individuals played in launching the modern opium business in Iran.⁵⁰ A careful factual analysis and reliance on additional source material reveal that Shahbazi’s narrative of the events does not hold much water. First, the Government of Bombay did not impose a ban *per se* over the re-exportation of Iranian opium or opium from any other country. A ban on imports was simply directed against the spirit of free trade that the British Empire promoted around the world, particularly in Bombay. In the Iranian case, such a ban was not allowed under the conditions of the commercial treaty signed between Iran and Great Britain in October 1841 in the aftermath of the failed Iranian campaign to conquer Herat in 1837.⁵¹

⁴⁹ A. Shahbazi, "Sasounha, Sepah-Salar va Taryak-e Iran [the Sassoons, Sepah-Salar and the Opium of Iran]," in *Mutale'at-I Siyasi [Political Studies]*, ed. A. Shahbazi (Tehran: Political Studies and Research Institute, 1370 [1991]).

⁵⁰ See for example: Shahnavaaz, "Afyūn."; Heidi A. Walcher, *In the Shadow of the King: Zill Al-Sultan and Isfahan under the Qajars* (London; New York: I.B. Tauris, 2008), 15; Matthee, *The Pursuit of Pleasure*.

⁵¹ Firoozeh Kashani-Sabet, "Fragile Frontiers: The Diminishing Domains of Qajar Iran," *International Journal of Middle East Studies* 29, no. 2 (1997): 217-18. From the middle of the 18th century, following

Although the treaty of 1841 clearly favored British economic interests, it guaranteed some measure of fair treatment for Iranian merchants in British territories. Thus, Iran and Britain could not legally prevent the importation of British or Iranian products into their own territories respectively. The complaints of the merchants mentioned by Adamiyat refer to the British policy of prohibitive pass duty exacted on all opium arriving in the Bombay port by ship, whether it was intended for importation or re-exportation. Although, in reality, this duty was designed to block competing opium shipments from arriving to China it was not similar to an actual ban.⁵² In any case, the pass duty was enacted already in the 1820s and the problems of the Iranian merchants who tried to ship opium through Bombay had begun before the reign of Amir Kabir as the chief minister. Indeed there are documented complaints of Iranian merchants regarding this British policy already in 1843.⁵³

More importantly, the prohibitive pass duty policy continued way into the late 1880s and was certainly not removed by the alleged efforts of Mirza Hussein Khan Sepahsalar, as Shahbazi claims.⁵⁴ Moreover, Shahbazi's claims about the role of the Sassoon family in this affair make no sense at all. Indeed by the late 1860s the Sassoons

Nādir Shah's assassination in 1747, Herat became the focus of a century-long power struggle and regional rivalry.

⁵² See NAI/Financial Department (FND)/Separate Revenue Branch (SRB)/A Proceedings/February 1868/No. 107-110, for a reference to regulation XXI of 1827, Chapter I, Section 2, in the context of a later discussion about the history of the policy and its impact on Iranian exports of opium. In 1868, the year when this report was written, the transit fee was 1633 Rupees (Rs.) per chest while prices in China ranged between 1500-1700 Rs. per chest. See below a more detailed discussion of the pass duty policy in Bombay and the various means used by Iranian merchants to overcome this problem.

⁵³ NAI/FD/Secret/1843/No. 47,48 and 49/24 May 1843.

⁵⁴ See for example NAI/FD/A-Political-E/August 1883/No. 33-35, where discussions are still conducted about the possibility of lifting the prohibitive pass duty on opium for re-exportation arriving at the Bombay Port.

did develop and expand their investments in Iran, including wholesale purchases of opium, but in the early 1850s the Sassoons were still struggling to gain power within the context of the Bombay trade community. The Sassoons trade empire was established on the enormous profits they made from trading in Malwa opium, thus the protectionist pass duty enacted by the Government of Bombay was acting in their favor, and they stood to gain nothing from it being cancelled.⁵⁵ Moreover, although the Sassoon family wrote many letters requesting a reduction of the pass duty for Malwa opium in Bombay, letters extant in the archives of the British Government of India, not a single reference points to their alleged wish for the reduction of the prohibitive pass duty for non-Indian opium arriving by sea at Bombay.⁵⁶

Shoko Okazaki credits the Isfahan-based merchant and Renaissance-man Āqā Mohammad-Rezā Arbāb al-Esfahānī as being the first Iranian merchant-landowner who learned the business of opium in India and brought it to Iran. Okazaki contends that Arbāb al-Esfahani's success inspired poppy cultivation and the production of opium in Iran. According to Okazaki, Arbāb went to Bombay in the early 1850s, "where he learned various agricultural and industrial techniques from Parsis,⁵⁷ most importantly the Indian method of poppy cultivation and opium making, which, after returning to Isfahan in 1273/1856-57, he introduced both there and in other provinces. [...] In the beginning of

⁵⁵ Shahbazi's conspiracy theories rely to some extent on the regretful lack of reliable sources about the Sassoon family. However, in recent years, the Sassoon papers, deposited in the Jewish National & University Library of Israel, are under a process of cataloguing which will hopefully lead to a more serious research of this highly influential family in the future.

⁵⁶ See for example: NAI/FND/SRB/A Proceedings/22nd October 1861/No. 9-17; NAI/FND/SRB/A Proceedings/ November 1864/No. 25-28; NAI/FND/SRB/A Proceedings/November 1876/No. 38-50.

⁵⁷ The Parsi Community is a Zoroastrian community related to Iranian Zoroastrians who, according to tradition, left Iran approximately around the 10th century to avoid persecution by the Muslim rulers who conquered the country during the 7th century.

the 1880s, together with other Isfahani merchants, he established the *Kompānī-e Teryāk-e Esfahān* for [opium] refining and [...] exporting. This company was then one of the largest business concerns in Isfahan.” Okazaki asserts that it “was only as a result of Arbāb’s efforts that poppy-growing took root in Persia,” although he acknowledges Adamiyat’s account concerning the experimental poppy-growing initiative of Amīr Kabīr.⁵⁸

Okazaki’s evaluation of Arbāb’s role in the formation of Iran’s opium business raises many questions. One wonders whether it is reasonable to credit one person with the launch of such a large-scale and multi-faceted economic initiative that necessitated opium cultivation across a vast geographic terrain, as well as the complex production and trade of opium in both local and international markets. Such monopolistic control of the opium industry could not reasonably have operated in nineteenth-century Iran.⁵⁹ Given the business environment of Qajar society -- often of a *laissez-faire* nature and not inclined to a hegemonic control of the kind described by Okazaki -- the portrayal of Arbāb as the single most influential opium businessman is not supported by historical evidence.

First, we already know that poppy-cultivation was not a novelty in Iran and that opium was not at all a new article of export in the 1850s. In light of that, the claim that Arbāb learned “the Indian method of poppy cultivation and opium making”⁶⁰ must be properly qualified. Whatever methods of cultivation were learned by Iranians from

⁵⁸ Okazaki, “Arbab, Mohammad-Mahdi.”

⁵⁹ Even the National Opium Monopoly, which operated in Iran during Reza Shah Pahlavi’s reign, did not go beyond licensing cultivators, collecting opium sap and conduct wholesale and retail of prepared opium in the local market.

⁶⁰ Okazaki, “Arbab, Mohammad-Mahdi.”

Indians, the differences were marginal. There were indeed some differences in the methods of sap collection, since in Iran the method of scoring the ripen pod was not the only method of collecting opium. Other methods, like crushing the pods and squeezing them, fermenting the pod or drying whole pods and then grind them, were also popular in Iran.⁶¹ With the new focus on producing prepared opium for smoking, those methods were practically extinct, but it is not likely that the “Indian” method of scoring the pods was completely unknown in Iran. In fact, it is more likely that Arbāb learned in Bombay new methods of opium production and new kinds of financial arrangements for the opium business.

One must remember that the Parsi community in India of the mid-19th century was hardly an agrarian community, but mainly a community of traders and artisans, and the economic success of such notable Parsi merchants like Jamsetjee Jejeebhoy and Jamsetjee Tata stem from their ability to create financial contracts with peasants in the Malwa states and not because they directly controlled fields where poppy was cultivated.⁶² Financial arrangements like purchasing entire crops in advance, giving loans for seeds with future crops as a guarantee were indeed a novelty adopted in Iran. In addition, the establishment of local workshops where large amounts of raw opium were processed was another Indian innovation that found its way to Iran. Those workshops, which centralized the cottage industry of processing raw opium, were not only more efficient but also made supervising the quality of the prepared opium easier. But most

⁶¹ Matthee, *The Pursuit of Pleasure*; Floor, *Agriculture in Qajar Iran*.

⁶² Jesse S. Palsetia, "The Parsis of India and the Opium Trade in China," *Contemporary Drug Problems* 35, no. 4 (2008).

importantly, it is a plausible speculation that what Arbāb and other Iranian merchants really learned in Bombay was that even with the high pass duty imposed by the Government of India on the export of Malwa opium from the Bombay port, there was still a handsome margin of profit left for the merchants.⁶³ In conclusion they must have realized that shipping opium from Iran - where customs on opium were no way near their levels in India - could result with enormous profits in the Chinese market.

Of course, I do not aim to argue against claims for personal credit as such. It is quite possible that Arbāb was indeed crucial in the spread of opium cultivation and trade of opium in Iran, but one must remember that he was simply not alone in his efforts. Other merchants were discovering the same methods of poppy cultivation and the transportation routes directly to China at quite the same time.⁶⁴ Personal credit of this sort is more likely to reflect vanity rather than historical reality. It should be noted that the sources from which we learn about Arbāb's economic pioneering are his own testimony and two references written in the 1880s, one by I'timād al-Saltanah, the noted court historian of Nasr al-Din Shah, who was a long acquaintance of Arbāb, and another by Najm al-Mulk who met Arbāb in 1882. This means that the testimonies that were not Arbāb's self-praise about his own prime role in pioneering the opium business of Iran were written only after the period in which it became such an important part of Iran's

⁶³ See Owen, *British Opium Policy in China and India*, 80-112, 280-310.

⁶⁴ Amin al-Zarb is of course among the most famous of them. See Shireen Mahdavi, *For God, Mammon, and Country: A Nineteenth-Century Persian Merchant, Haj Muhammad Hassan Amin Al-Zarb (1834-1898)* (Boulder, CO: Westview Press, 1999).

economy.⁶⁵ In addition, he doesn't play much of a role in British sources from that period, certainly not sources discussing opium shipments to China. Generally speaking, the focus on one person, important as he might be, is often misleading in historical perspective and in this case it diverts the attention from the wide-range transformation that took place in Iran, a process that involved many merchants, landlords, state officials, peasants and day-workers.

A more in-depth debate revolves around the economic context and circumstances that motivated and enabled the rise of modernized opium production in Iran. The origins of this venture was usually not simply discussed in the current scholarship as such but as part of a larger debate that revolves around the state of the peasants in late 19th century Iran and the narrative of Iran's economic history during the late Qajar period. The main debate revolves around the evaluation of the development of Iran's cash crop sector in the second half of the 19th century. While some scholars argue that it was a positive and constructive development with beneficial long-term results for the Iranian economy and Iranians as a whole, others view it as an unfortunate development instigated by foreigners, encouraged by small, oppressive, self-serving elite which delayed Iran's capitalist development for generations.

The rise to power of the Qajars brought renewed stability and security to a country torn by a century of strife and war, and had a positive effect on Iran's economy.

⁶⁵ See Muhammad Mahdi al-Isfahani Arbāb, *Nisf-i Jahan Fi Ta'rif al-Isfahan*, Edited by M. Sotūda (Tehran: Amir Kabir, 1340 [1961]); Abd al-Ghaff Najm al-Molk, *Safar Nameh-ye Khuzestan [Travel in Khuzestan]*, Edited by M. D. Siyaqi (Tehran: Elmi, 1341 [1962]); Muḥammad Ḥasan Khān I'timād al-Saltānah, *Kitab al-Maathir Val-Athar* (Tehran: Dar al-tabi khasiyah dawlati, 1889). Quoted in Okazaki, "Arbab, Mohammad-Mahdi." See also Walcher, *In the Shadow of the King*, 15.

However, the early Qajar monarchs also witnessed the consequences of Europe's military and economic advantages over Iran. A series of military defeats forced Iran to sign several commercial treaties, first with Russia,⁶⁶ and subsequently with other European Powers – accords that, among other things, imposed a unified duty rate of mere 5% *ad valorem* on all imports and exports between Iran and the said countries. Though humiliating by nature and notoriously remembered in Iranian popular culture, the long-term impact of these trade agreements may not have been so negative. One might argue that the low duties may have encouraged trade with Iran that under different conditions might not have materialized.

During the first half of the 19th century Iran was important for the European Powers first and foremost for its strategic position as a buffer between the expanding Russian Empire and British India. Iran's economic potential was only of secondary importance to its geo-strategic importance during that period. This changed significantly during the second half of the 19th-century as a result of the commercial treaties mentioned above, signed in the 1830s and 1840s, and there is a general agreement among scholars about the basic elements of the economic process that followed them. Foreign industrial goods flooded the Iranian market, and Iran's previously vibrant sector of manual industries and crafts mostly collapsed, with the exception of carpet-making. This situation created a negative balance of trade in Iran, which led to a growing outflow of

⁶⁶ These are the well-known treaties of Golistan and Torkmanchay from 1813 and 1828, respectively. The translated text of both treaties can be found in C. U. Aitchison, ed. *A Collection of Treaties, Engagements, and Sunnuds Relating to India and Neighbouring Countries*, vol. VI. Containing the Treaties &c., Relating to the Punjab, Sind and Beloochistan, and Central Asia (Calcutta: Foreign Office Press, 1876), Appendices. Persia. pp. iii-xviii.

gold and silver from the country. Since Iranian currency was based on a silver standard its value further fell by the ongoing depreciation of silver throughout the 19th century.⁶⁷

These negative developments were the economic motivation for the tremendous growth of Iran's cash crop sector in the second half of the 19th century.⁶⁸ From an agricultural sector focused on the production of cereals, Iran's grew to include opium, tobacco, fruits, nuts, indigo and cotton, the majority of all intended not for local consumption or as raw material for local industry but for export. As a result of the growth of this sector, control over land - now more than ever before the most crucial mean of production - became a highly desired prize. This led to the creation of large estates held by a relatively small group of large landowners; some of them were themselves merchants. Two significant factors contributed to this development: First, the weakness of the central government helped turn appointments for *tuyul* lands, which were actually short-term management leases, into hereditary ones which meant they became *de facto* private property. Second, in order to overcome its cash shortage the government began large-scale sales of *Khaliseh* lands. Those were crown lands theoretically managed directly by the state, but in reality were mostly in a state of decay and neglect and very often simply usurped by local land-owners. The sale of those lands by the state increased

⁶⁷ P. W. Avery and J. B. Simmons, "Persia on a Cross of Silver, 1880-1890," *Middle Eastern Studies* 10, no. 3 (1974).

⁶⁸ C.P. Issawi, *The Economic History of Iran, 1800-1914* (Chicago, IL: University of Chicago Press, 1971); Gilbar, "Persian Agriculture."; ———, "The Opening up of Qajar Iran."; Ahmad Seyf, "Commercialization of Agriculture: Production and Trade of Opium in Persia, 1850-1906," *International Journal of Middle East Studies* 16, no. 2 (1984). Willem Floor argues that the trade deficit was "a structural one, which, moreover, existed both before and after the growth of the export of opium", but he provides no evidence to disprove Gilbar's data and his discussion of Iran's invisible balance of trade. Floor, *Agriculture in Qajar Iran*, 436. A revised interpretation of Iran's economic history during the Qajar is offered by Hooshang Amirahmadi in his recently published monograph: Amirahmadi, *The Political Economy of Iran under the Qajars*.

the pool of land under cultivation and encouraged private entrepreneurs to further develop them.⁶⁹

However, the results of these developments, the interpretation of their meaning and the evaluation of the relation between the economic, social and political developments within the Iranian society are contested among scholars of this period. The interpretation of Iran's economy during the late-Qajar period depends on a series of topical questions; first among them is the question of who gained from the transition to cash crops, or, to be more correct, in what way did the revenues of the new cash crop economy affected the distribution of wealth in Iran. According to Gad Gilbar, who holds the view that living standards in Iran improved across the board:

“... part of those engaged in the carpet-weaving industry, whether rural or urban, witnessed an improvement in their economic conditions. No less important, from the social point of view, was the effect of the spread of this industry on the nomads: it allowed for closer economic links between them and the settled population.”⁷⁰

More clearly he stipulates:

“... up to the end of the nineteenth century the increase in agricultural production brought about an increase in the real income of some sections of the settled rural population [and also] certain improvements in the standard of living of the peasants took place.”⁷¹

⁶⁹ Hakimian, "Economy VIII. In the Qajar Period."; Gilbar, "Persian Agriculture." For a more detailed discussion about the structure of land ownership in Iran see Lambton, "Land Tenure and Revenue Administration in the Nineteenth Century." According to Gilbar, land-owners developed infrastructure in newly bought *Khaliseh* land and not simply to increase the cultivation of cash crops, but Ahmad Seyf does not agree. Gilbar, "The Opening up of Qajar Iran," 79-80; Seyf, "Commercialization of Agriculture."

⁷⁰ Gilbar, "The Opening up of Qajar Iran," 78.

⁷¹ Ibid.: 80.

He further brings evidence to prove that during the second half of the 19th century the peasants' diet became richer and more diverse, the consumption of local goods increased, and testimonials that peasants were able to save small amounts of money that served them to avoid moneylenders for unexpected expenses, like weddings and the purchase of imported food during a drought. In addition he argues that there are no indications that point out an increase in peasant indebtedness during that period, and on top of that he quotes descriptive reports which compare the state of Iranian peasants with those of their equals in the Punjab and find that of the former to be superior.⁷²

Discussing the opium business specifically, Roger Olson presented a very different view arguing that the opium revenues were concentrated in the hands of very few merchants while many peasants were reduced to practically wage laborers, forced to grow opium by greedy landowners and unable to grow their own food. This new arrangement was advantageous to the peasants as long as there was plenty of food in the market and the prices were low, but in periods of short supply of food and rising prices the effects on the peasants could be devastating. According to Olson's description, the discontent of the peasants developed towards the later part of the 19th century:

“... There does not appear to have been much initial resistance to the idea of cultivating opium on the part of the villagers. That was due primarily to the tremendous range of inducements available to landowners, merchants, and tax farmers. In some cases, tax farmers offered to reduce or even eliminate the collection of taxes on land devoted to opium cultivation. In other cases,

⁷² Ibid.: 80-82.

merchants advanced loans on relatively easy terms to the debt-ridden villagers in return for their agreement to grow opium for them.”⁷³

Landowners could of course use threatening tactics to convince villagers to cultivate opium poppies but this kind of measures was unnecessary at first since the peasants themselves were quick to respond for the prospect of quick cash profits.

However, by the mid-1870s the mood towards opium changed:

“... the attitude of the villagers tended to become more negative as the long-term effects of vastly increased opium cultivation made themselves felt. [...] expanding opium production tended to take increasingly large amounts of land out of grain production. As a result, the region’s total food supply was reduced and grain prices rose. [...] in years when for any number of natural reasons harvest in the region was bad, famine was quick to strike.”⁷⁴

Ahmad Seyf presents a similar argument even more vigorously. According to Seyf, although the move to cash crop production was welcomed by the government and landlords, as well as the large merchants who stood to make a handsome profit, the situation was totally different for the peasants, the landless laborers and the working people of the towns, i.e. the bulk of the population. Although the peasants may have been able to increase their earnings, their new dependence on purchased food worsened their situation for several reasons. (1) Since the surplus of foodstuff was not high in Iran to begin with, the transfer to cash crops decreased it even further which caused an increase in food prices, which meant a decrease in the value of the money the peasants earned. (2) The absence of roads and mismanagement meant that it was especially difficult to

⁷³ Roger T. Olson, "Persian Gulf Trade and the Agricultural Economy of Southern Iran in the Nineteenth Century," in *Modern Iran: The Dialectics of Continuity and Change*, ed. Michael E. Bonine and Nikki R. Keddie (Albany: State University of New York Press, 1981), 187.

⁷⁴ Ibid.

transport food from one province to another, and thus while there was plenty of food in one district there could have been a shortage in another. Even people who had money had actually nothing to buy with their money. (3) In certain occasions this situation worsened to the point of widespread starvation as in the case of the great famine of 1870-1872.⁷⁵ In addition to those reasons he argues that whatever increase in real income the peasants made was eroded by inflation.⁷⁶

Within this debate, opium and other cash crops are used within each scholar's narrative of Qajar Iran's economic history, and by implication the place of the Constitutional Revolution (1906-1908) within this narrative.⁷⁷ For those who suggested that the conditions of the peasants in Iran improved, cash crops and opium were markers of development and progress, catalysts of economic expansion and prosperity. For those holding the opposite view, cash crops and opium marked not progress but social and

⁷⁵ Seyf, "Commercialization of Agriculture," 238-40.

⁷⁶ Ibid.: 238-39. For similar views, see also Nikki Keddie, who wrote several excellent summaries of the major trends and arguments in the study of Qajar Iran's economic history in the late 1970s and early 1980s, usually as parts of larger projects. Nikki R. Keddie, "Iranian Revolutions in Comparative Perspective," *The American Historical Review* 88, no. 3 (1983); ———, "The Economic History of Iran, 1800-1914, and Its Political Impact an Overview," *Iranian Studies* 5, no. 2/3 (1972); Keddie and Richard, *Roots of Revolution*. Amirahmadi makes a similar argument in Amirahmadi, *The Political Economy of Iran under the Qajars*. It is important to note though that he does not go as far as to argue, like Seyf, that all the increase in the peasants' income was eroded by inflation. It is still possible that inflation did not completely catch up with the increase of peasants' income, and more statistical data will be necessary to decide this point. I chose to focus on Seyf's article because he goes into the finer details of opium production and trade and connects it to his theory about the economic deterioration of Qajar Iran and his theoretical suggestions about dependent development.

⁷⁷ An extensive amount of writing has been published about the Constitutional Revolution. The earliest report on the events of the Revolution and preliminary commentary on its historical importance see Edward Granville Browne, *The Persian Revolution of 1905-1909* (Cambridge: The University press, 1910); Ahmad Kasravi, *History of the Iranian Constitutional Revolution: Tarikh-e Mashrute-ye Iran*, Translated by E. Siegel (Costa Mesa, CA: Mazda Publishers, 2006). Representing the major trends in the study of the Constitutional Revolution in recent decades (to pick merely a few) are V. A. Martin, *Islam and Modernism: The Iranian Revolution of 1906* (London: Tauris, 1989); Mangol Bayat, *Iran's First Revolution: Shi'ism and the Constitutional Revolution of 1905-1909* (New York: Oxford University Press, 1991); Janet Afary, *The Iranian Constitutional Revolution, 1906-1911: Grassroots Democracy, Social Democracy, and the Origins of Feminism* (New York: Columbia University Press, 1996).

economic stagnation, not progress for the benefit of all but a mean utilized to strengthen the few at the expense of the many.

According to the former view, the latter part of the 19th century was a period of economic growth that was the result of both outside economic pressures but also local economic entrepreneurship.⁷⁸ Yet, parallel to the growth of the Iranian economy, the Qajar government's expenses increased significantly as well, even though this increase was disproportionate not only to the actual growth of the economy but also to the amount of income the government was able to actually collect through taxes, customs and duties. Throughout the second half of the 19th century, the Shah and his courtiers refused vehemently to cut the monarch's expenses on his lavish lifestyle or cut the pensions of the courtiers. Instead, in its weakness and corruption, the central government brought into Iran financial European involvement in the form of loans with outrageous interest rates to which the customs authority of Iran was given as a bond. A generous-to-a-fault policy of concessions' distribution gave away the resources of Iran to foreigners for mere trifle. These unpopular steps antagonized the population at large, but particularly the merchants who felt that their property and status are in danger.⁷⁹ Extrapolating from this line of argumentation, the constitutional revolution of 1906-1908 is thus, according to this view, a result of an alliance between merchants and lower-classes alienated from the non-productive upper-classes and encouraged by the economic development across the board.

⁷⁸ Gilbar expanded this argument in his later research about Muslim business elites in the Middle East. See Gad G. Gilbar, "The Muslim Big Merchant-Entrepreneurs of the Middle East, 1860-1914," *Die Welt des Islams* 43, no. 1 (2003); ———, "Muslim Tujjār of the Middle East and Their Commercial Networks in the Long Nineteenth Century," *Studia Islamica*, no. 100/101 (2005).

⁷⁹ Gilbar, "The Opening up of Qajar Iran."

This narrative of the Constitutional Revolution raised several indirect objections, most of which can be characterized as a rejection of the over-emphasis on economic factors and a stress on the role of other groups in Iran, particularly the Ulama and the lower classes.⁸⁰ Seyf's rejection of the economic narrative presented by Gilbar is a different case, since unlike other scholars he does emphasize the importance of economic factors, although he does not connect his argument to the narrative of the Constitutional Revolution. Since he rejects the idea that cash crops improved the situation of the peasants, the idea of a merchants-people alliance against the monarchy is not reasonable within the perimeters of his argumentation. If anything, the peasants in the late Qajar period are supposed to be alienated from the merchants according to Seyf's theory. His depiction of the merchants as a class who cooperated with the monarchy and the Foreign Powers to enrich themselves at the expense of the peasants makes it reasonable to assume that he would probably reject a description of a merchant-people alliance against the monarchy.⁸¹ Thus, extrapolating from Seyf's narrative of late-Qajar economic history strengthens the scholarship that emphasizes role other groups in the Constitutional Revolution, such as the westernized intellectuals, the Ulama and grassroots organizations.

⁸⁰ Michael E. Bonine and Nikki R. Keddie, *Modern Iran: The Dialectics of Continuity and Change* (Albany: State University of New York Press, 1981); Algar, *Religion and State in Iran, 1785-1906: The Role of the Ulama in the Qajar Period*; Abdul-Hadi Hairi, *Shi'ism and Constitutionalism in Iran: A Study of the Role Played by the Persian Residents of Iraq in Iranian Politics* (Leiden: E. J. Brill, 1977). – emphasize the role of the Shi'i clergy, the Ulama. Afary, *The Iranian Constitutional Revolution*. emphasizes the role of popular grassroot political activism. Bayat, *Iran's First Revolution: Shi'ism and the Constitutional Revolution of 1905-1909*. – emphasizes the role of heterodox radicals, *babi Ulama* and secularists; and Martin, *Islam and Modernism*. emphasizes the role of the conservative Ulama and the urban lower classes. All in all, economic factors play only a marginal role in this body of scholarship.

⁸¹ Seyf, "Commercialization of Agriculture."

A slightly more sophisticated economic argument is suggested by Amirahmadi, as he describes the turn-of-the-century as a period of struggle in Iran between two segments of the bourgeoisie. On the one hand, the wealthier sectors of the bourgeoisie, which shifted its investments to foreign trade and cash crop production while entering an alliance with the feudal state; and on the other hand, the national bourgeoisie, who struggled for industrialization and entered an alliance with the urban middle classes, the poor, and occasionally the rural population. The first group depended upon imperialist forces, not only for its economic prosperity but for its very survival, while the second group rejected imperialism as the source of their stagnation and inability to further develop capitalism in Iran.⁸²

Another issue at stake here is the world-system economic theoretical framework known as the Dependency Theory. This theory, developed initially as a critique of the evolutionary approach of the 1960s sociology, argues that “The modern history of any given country [...] makes sense only as part of the history of the organized world system that capitalism historically has created.”⁸³ Therefore, to study inequalities between societies one must focus on the economic relationship between them. According to this theory, the main relationship between societies has been throughout the last few centuries an exploitative one, creating wealth at one end of the relationship (the ‘Center’ or ‘Metropolis’) and poverty at the other end (the ‘Satellite’ or ‘Periphery’). The Metropolis uses whatever advantage it has (political, diplomatic, military, scientific, industrial etc.)

⁸² Amirahmadi, *The Political Economy of Iran under the Qajars*, 234.

⁸³ Harriet Friedmann and Jack Wayne, "Dependency Theory: A Critique," *The Canadian Journal of Sociology / Cahiers canadiens de sociologie* 2, no. 4 (1977): 401.

to exploit the Periphery and thus to eternalize its own advantage. With its military power, the Metropolis forces “free-trade on equal terms” upon the Periphery and then uses its industrial advantage to collapse the Periphery’s economy and re-organize it for its own needs and benefits. Most commonly, Metropolis states first flood a Periphery market with cheap manufactured goods, devastate the local industries and force it to move to large-scale production of raw materials. These raw materials are bought by the Metropolis, turned into finished goods and then sold back to the Periphery.

The appeal of this theoretical framework is clear, even beyond the simple fact that it makes a lot of sense. First, it explains a wide variety of phenomena with a small number of elements. A relatively small set of theoretical tools explain not only the relations between historical societies but also contemporary ones. It provides an apparently objective language that describes interactions on a global scale as a unified system or at least a set of supra-national structures, allows a non-judgmental analysis of those systems⁸⁴ in a holistic and structural way,⁸⁵ and at the same time arms the exploited with self-liberating advice without the Marxist-style destroy-all revolution.⁸⁶ In addition, while traditional Marxism explains the poverty of the under-developed countries by an

⁸⁴ While evolutionary analysis like that of the modernization theory categorizes societies as “developed”, “developing” or “under-developed” according to a static (and practically invented) scale, a dependency theorist will argue that development and underdevelopment are only meaningful terms within a capitalist system which creates them. In other words, underdevelopment itself is created by the advance of a global capitalist system; it is not a stage on the road for development.

⁸⁵ While modernization theorists explain development or under-development of each society as particular cases, disparate from each other, dependency theorists use a holistic approach that views development as a notion that exists within the context of the global capitalist system.

⁸⁶ Adherents of the modernization theory would urge developed societies to assist under-developed societies on either a voluntary or utilitarian basis, assuming that under-developed societies cannot help themselves. A classic development theory recipe for “under-developed” periphery countries would be to decrease imports as much as possible, prevent foreign investments in raw materials production, industrialization and greater reliance on self-produced goods.

undefined combination of lack of industrialization, a despotic regime and imperialist-capitalist exploitation, the Dependency Theory portrays a mechanism of international political economy that explains how impoverished societies became impoverished through a rigid division of labor that made the Center wealthy and the Periphery poor.⁸⁷

However, serious critique has been raised against the dependency theory on both theoretical and practical grounds. One important argument stipulated that the bilateral relations of exploitation described by the Dependency Theory do not add up to a system that should be the sum of those relations. The relation of exploitation assumes a certain hierarchy, but examining actual relations according to the theoretical framework of the dependency theory it appears that chains of exploitation do not simply connect to a single hierarchical system, and even if we re-organize the sets of exploitative relations we do not get a coherent World-System that explains all the economic relations between societies in a given historical period.⁸⁸ A more practical critique against the theory was that in many cases the historical data simply does not allow us to describe specific relations between Metropolis and Periphery as one-sided exploitation.⁸⁹ Moreover, states which adopted the advice of Dependency theorists to sever (or at least limit) their economic ties with the exploiting Metropolis tended to fail economically, while at least

⁸⁷ Friedmann and Wayne, "Dependency Theory: A Critique," 400. Indeed, the Dependency Theory is often perceived as neo-Marxism.

⁸⁸ Ibid.: 402-06.

⁸⁹ One recent example of this critique is Relli Shechter, *Smoking, Culture and Economy in the Middle East: The Egyptian Tobacco Market 1850-2000* (London; New York: I.B. Tauris, 2006). in which he described the rise of the Egyptian cigarette industry in the early 20th century as a case in which a classic metropolis-type business initiative took place in a country that was clearly a periphery in almost every other respect. The Egyptian Cigarette Company imported tobacco from various countries in the middle east and the Mediterranean region, mixed it according to their "special formula" and packaged them as luxury items that in turn were marketed to European markets.

some other countries have managed to use the old Modernization Theory recipes for their own advantage.⁹⁰

Seyf uses the case of opium production in Iran to bring a nuanced display of what he understands as the exploitation of Iran by Metropole economies and its inclusion as a peripheral member into the capitalist world-system. What he wishes to solve through this discussion is the apparent conflict between the transformation of a given economy into a cash-crop producer, which is usually the marker of progress and development, and the subsequent impoverishment of that economy. Of course, this is only true if one views economic development of a market as an isolated, mostly internal, process. However, if one is to examine such development using the theoretical tools of Dependency, then it is revealed that:

“... The cultivation of cash crops in Iran did not represent an overall development of the productive forces, but on the contrary, was a substitute for the failed productive capacity of the nonfarm sector. [...] the old traditional system was breaking up, but the course and results of those changes were not determined by the internal laws of the traditional economy but by external factors, mainly factors associated with foreign trade. [...] the old did not disappear, and the new was built not on the ruins but upon the surviving remnants of the old. [...] unlike the development in the metropolitan economies which was spontaneous and self-propelled, changes and development in Iran were geared more or less to the need of the metropolises. [...] It is in this context that we regard dependent development not as non-development but rather a distorted development process which, in turn, exhibits structural underdevelopment in the key sectors of the economy.”⁹¹

⁹⁰ Several South-American states, like Brazil and Argentine, attempted with very little success or much result, to limit imports, limit foreign investment and to focus on home-grown and home-made products. On the other hand, South-East Asian countries like Singapore, Malaysia, Taiwan, and some of the Emirates in the Persian Gulf are examples of highly successful countries that did use a 1950s-style development modus operandi, to become an economic success.

⁹¹ Seyf, "Commercialization of Agriculture," 234.

To prove his argument Seyf devotes a long section in his article to a specific analysis of the production and trade of Iranian opium in the late 19th century in an attempt to show that its production and trade represented not economic development but the complete opposite. Opium cultivation, he argues, expanded from the 1850s through the 1860s, shrank slightly in the early 1870s but renewed its expansion afterwards. Since the mid-1880s it began to shrink again and maintained this trend through the early 1900s. Primitive methods of cultivation, he argued, resulted in low-quality opium that was often adulterated, opium that attracted only low prices in the Chinese market. Foreign competition from India, Japan (sic!) and the Ottoman Empire checked the prices of Iranian opium in the Chinese market and practically blocked its way to European markets.

The drop in global demand due to the advent of new opium legislation and an economic decline in China was another blow to the Iranian opium industry. Thus, according to Seyf, opium cultivation developed as a large-scale business in Iran in response to a trade deficit which in itself developed out of the trade treaties imposed upon Iran by the European Powers. As such, it contributed nothing to the development of capitalism in Iran; it involved no new methods of production that could be used to improve other aspects of the agricultural market or extended to promote industrialization, and; it did not improve the economic situation of the population at large save for a small layer of merchants and landowners. In fact, it worsened the situation of the lower classes.⁹²

⁹² Ibid.: 240-48.

Seyf's article is one of the most clear-cut examples of the problematic treatment of opium received in Iran's historiography, but the problems that characterize Seyf's arguments appear to a certain extent in the scholarship of other scholars in the field, including even Gad Gilbar who holds an opposite evaluation of the role of opium production in Iran. Several factual mistakes stand out in this analysis: Despite Seyf's assumption that Iranian opium was of low quality throughout the second half of the 19th century, the quality of Iranian opium improved significantly in the 1880s and, as I will show later, it commanded higher prices in China, even surpassing reputable Patna opium; Iranian opium indeed had to compete with other brands of opium over the Chinese market, but this task was actually accomplished quite successfully. Iranian opium was certainly not blocked out of European markets – not by competition nor otherwise; Japan, of course, had no opium production of itself, it merely bought opium from other sources for distribution through the monopolies it established in its colonies of Korea, Manchukuo and Formosa, and in any case, this episode belongs to a later period as Japan's major colonialist period did not begin before 1895.⁹³

Other problems are more structural in nature, in relation to the conduct of the opium trade: Adulteration is not simply fraud, because all opium is adulterated to a certain extent, and "pure opium" (which is in fact raw opium) is really not a very useable product until it is processed; It is completely impossible to discuss "opium prices" as if they were an unchanging constant, while in reality, the opium trade of the 18th and 19th centuries was a highly risky business, as prices often fluctuated dramatically and

⁹³ This misunderstanding about the role of opium in Japan's colonial policy appears in Gilbar, "Persian Agriculture." and Floor, *Agriculture in Qajar Iran*. as well.

suddenly. Speculation in opium was rife and information about the success or failure of crops in even the remote regions of the world could have had an immediate impact on the prices of opium; The drop in global demand for opium by the end of the 19th and the early 20th centuries actually helped Iran because it removed the competition of Indian opium and Iran suddenly became the biggest producer of opium in the world without reducing its own production.⁹⁴

With regards to dependency theory, the case of opium is probably the least suitable case to prove the efficiency of this theory in analyzing Iran's economic situation in the 19th century. First, opium is not exactly a raw material since it acts more often as a finished good. In any case, a reciprocal system of purchasing opium from Iran to be sold later back to Iran as manufactured opioids like morphine and heroin simply did not exist. Second, Iranian opium was in direct competition with Indian opium which made British officials increasingly worried during the second half of the 19th century. Thus, in the context of opium production and export, Iran can hardly be described as exploited by the British Empire.⁹⁵ Third, most of Iran's opium was sold to China, and thus, even if we describe the trade of opium between Iran and China as exploitative (which is doubtful) this relationship certainly does not take place between a "center" / "metropole" and a "periphery". Whether or not Iran can be described as a case of dependent economy, the opium sector is not the case to prove it.

⁹⁴ Once again, this problem is not limited to Seyf alone.

⁹⁵ All references to British encouragement of Iranian opium production should be taken with a grain of salt, if not utter suspicion.

The indictment against opium in the case of the Great Famine of 1870-1872 is another problem that needs further analysis, though it appears that the validity of the argument has already been seriously questioned. That poppy cultivation was a major cause for the great famine of 1870-1872 is of course not an original argument made by scholars of recent decades. Foreign observers have argued it already in the 1870s and this had been no doubt the common opinion in Iran as well. British observers who were present in Iran during the famine in various capacities had made their opinion clear that the expansion of opium cultivation at the expense of cereal cultivation caused the shortage of food during the drought years of 1870-1872.⁹⁶ It is also true that this opinion was shared by at least some among the political leadership of Iran, and Seyf is right that after the famine, the cultivation of opium was limited to a certain extent by the authorities. The governor of Fars, Zill al-Sultan, for example, enacted limits on the amount of land allowed to be turned from cereal-cultivation to opium cultivation.⁹⁷ The reason so many subscribed to this apparently reasonable causal explanation is obvious: On the one hand there is an enormous expansion in the production of opium and on the other hand a severe shortage of wheat, thus many simply referred to the connection between the two as a matter of fact.⁹⁸

⁹⁶ The most quoted report in this respect is the report of G. Lucas, the uncovenanted Assistant to the Political Resident in Bushehr, who wrote in 1875: "The attempt of the natives to enrich themselves by cultivation and growth of a profitable article of trade and their neglect to provide for the necessities of life, combined with drought and other circumstances, resulted in the famine of 1871-72." See Shoko Okazaki, "The Great Persian Famine of 1870-71," *Bulletin of the School of Oriental and African Studies* 49, no. 1 (1986): 186; Gilbar, "Persian Agriculture," 315; Keddie, "The Economic History of Iran," 69.

⁹⁷ Floor, *Agriculture in Qajar Iran*, 438.

⁹⁸ This is apparent, for example, in Olson's discussion of the peasants' attitude towards the production of opium. Olson, "Persian Gulf Trade," 183-88.

However, already in the late 1970s, scholars like Nasser Pakdaman and Vahid Nowshiravani expressed their reservations about this too-easy a connection, pointing out that simple common-sense observation of the nature of poppy cultivation does not go hand in hand with an argument that it significantly replaced grain cultivation.⁹⁹ A more detailed work by Shoko Okazaki has shown that the expansion of opium cultivation did not affect grain production in Iran, which remained the main agricultural product in the country. Okazaki convincingly demonstrates that the acreage necessary for the production of the annual amount of opium reported before and after the 1870s was in fact relatively small and thus the expansion of opium production cannot be blamed for the lack of grain in the market during the famine.¹⁰⁰

The drought of 1869-1871 was the initial cause for the disturbance in the supply of grain, but Okazaki effectively presents direct and indirect evidence which proves that there was no real shortage of grain in Iran at the time and that the famine was caused by the greed of various merchants, landowners, senior bureaucrats and religious officials who engaged in hoarding and market manipulation, taking advantage of the situation to amass an enormous fortune, even at the price of watching their fellow subjects starve to death. In addition, he points his finger at the central government and at least some provincial governors who were particularly ineffective in preventing the situation from

⁹⁹ Nasser Pakdaman, "Preface - a Special Issue on the Economic and Social History of Iran in the Nineteenth Century," *Iranian Studies* 16, no. 3/4 (1983); Vahid Nowshirvani, "The Beginning of Commercialized Agriculture in Iran," in *The Islamic Middle East 700-1900: Studies in Economic and Social History*, ed. A. L. Udovitch (Princeton, NJ: Darwin Press, 1981). Quoted in Mahdavi, *For God, Mammon, and Country*, 61.

¹⁰⁰ Okazaki, "The Great Persian Famine," 186-89.

developing in the first place and displayed a disturbingly disaffection towards the suffering of the people.¹⁰¹

Where the idea about the connection between poppy cultivation and the famine originated is not clear - whether it was the opinion of Iranian officials quoted by British observers or vice versa – and a review of the sources does not reveal it. The obvious gap between the persistence of this observation and its invalidity demands some sort of an explanation. Understanding several political and social contexts may explain why this connection between opium and famine was convenient for those who argued it and those who accepted it as logical. One such context, crucial for the understanding of the British interest in the Iranian famine, is the recurrence of famine in British-controlled India.¹⁰²

Several famines took place in India in the 1860s and 1870s: One broke out in Orissa in 1866, another one in 1869 in Rajputana and yet another one in Bihar in 1873-74. The mortality in those three famines reached 2.5 million people. Worse yet was the great famine of 1876-1878 which covered almost all of South India in which between 6-10 million people perished.¹⁰³ The question of famine was a hotly debated political issue at the time which was used by the anti-imperialists of the period as a political tool against the British government and its colonialist policy.¹⁰⁴ Blaming opium for the famine in Iran

¹⁰¹ Ibid.: 192.

¹⁰² I do not refer here to the humanist aspect of the British interest in the Great Persian Famine, the relief committees sent to Iran etc., but to the specific scholarly effort to understand the causes of the famine.

¹⁰³ Kumar Dharma and Meghnad Desai, *The Cambridge Economic History of India. Vol. 2, C. 1757-C. 1970* (Cambridge: Cambridge University Press, 1983); B. M. Bhatia, *Famines in India: A Study in Some Aspects of the Economic History of India with Special Reference to Food Problem, 1860-1990* (Delhi: Konark Publishers, 1991).

¹⁰⁴ See for example: *The Causes of Famine in India*, New York Times, 25 August 1878.

could have been masqueraded criticism of the British administration of India and the enormous profits it made from opium there. Another possibility is that linking the famine to poppy cultivation in Iran was an attempt to divert the attention from the fact that grain continued to be exported out of Iran by British merchants even in the midst of the famine, thus contributing to the severity of the famine, and only local riots forced a release of this grain from storage at a fair price.¹⁰⁵ There is of course no one British position on the questions of opium and imperialism, yet blaming opium production for the famine in Iran appears to be serving the interests of more than one side of that debate.

As for the promotion of this idea in Iran itself, it is important to remember the direct involvement of some bureaucrats and clerics in the market manipulations that brought about the famine. In a recent article about the rise and fall of the merchant councils (*majalis-i wukala-yi tujjar*) in 1884-85, Gad Gilbar recounts the vast business interests of Zill al-Sultan, the governor of Isfahan and several other southern provinces,¹⁰⁶ the same Zill al-Sultan who ordered in 1880 to sow one *jarib* of cereal for every four *jarib* of opium as a preventive measure against future famines.¹⁰⁷ It is not unlikely that Zill al-Sultan himself was involved in hoarding, profiteering and other manipulations during the famine, and therefore this order may be seen as an attempt to distract public opinion from the real causes of the famine. Of course, the perception of opium as a moral evil made it easy to accept unfounded arguments such as its role in the Great Famine of 1870-1872. Even Shireen Mahdavi, who is quoted above for her

¹⁰⁵ Okazaki, "The Great Persian Famine," 183..

¹⁰⁶ Gad G. Gilbar, "The Rise and Fall of the Tujjar Councils of Representatives in Iran, 1884-85," *Journal of the Economic and Social History of the Orient* 51, no. 4 (2008): 658-61.

¹⁰⁷ Floor, *Agriculture in Qajar Iran*, 438.

convincing survey of the arguments refuting the claim about opium's role in the 1871-1872 famine in her biography of the famous 19th-century merchant Amin al-Zarb, writes about the food shortages of the 1890s later in the same book: "One of the causes of the shortage of bread was that since the 1860s, when the cultivation and production of opium became popular, much of the land previously allocated to the cultivation of wheat and barley was allotted to opium production."¹⁰⁸

¹⁰⁸ Mahdavi, *For God, Mammon, and Country*, 158.

CHAPTER 3

In order to better understand the development of Iran's opium business in the 19th century, it is imperative to be first aware of the problematic language and bias that shapes the way our society understand drugs and its impact on the academic research. Opium is commonly referred to as a drug. Most of us understand that the word "drug" has the broader meaning of medication in general, but when somebody talks about the 1960s as a time of "Sex, Drugs and Rock 'n' Roll" we understand that the reference is not to aspirin. The more technical term "psychoactive drugs" refers to the mood changing properties of some drugs, their direct chemical impact on the brain and their effect on the mind. Of course, many drugs fall under that category. Drugs like: heroin, opium, cocaine, khat, cannabis, LSD, MDMA, methamphetamines, etc. would be the most obvious; but coffee, tobacco, alcohol, tea and chocolate share many of the same attributes and properties.

The first major difference between the two groups is clearly their legal status. The drugs on the first group are strictly controlled substances under various international treaties, national legal system, and various local regulatory regimes, and their non-medical consumption is almost universally prohibited. Of the second group, only the consumption of tobacco and alcohol is mildly controlled and limited but not prohibited, except in some Muslim countries where alcohol is a religious taboo. Most people would agree that consumption in great quantities of drugs of the second group is not healthy but that small quantities do not generally pose a particular danger, as opposed to drugs in the first group, the consumption of which is generally considered dangerous even in small quantities. It is also generally assumed that the reason for prohibiting the consumption of

drugs from the first group is the scientifically proven medical threat they pose for public health, while the moral apprehension from drugs is considered (by those who are able to differentiate between the two) only of secondary importance – at least in societies where the general agreement is that the state should not legislate morality. The prohibition of alcohol in Islam or of tobacco in the Sikh religion are perceived as quite different since those are primarily religious and moral taboos, along the lines of the dietary restrictions of Judaism or the vegetarianism in most of the Indian religions.

The general belief is that there are “hard drugs” like heroin and cocaine and “soft drugs” like the cannabis drugs, and that the “rating” system was generated scientifically. Some people are aware that in previous generations the social and legal approach to the drugs which are illegal today was different, but assume that scientific discoveries revealed the dangers of those drugs and that those discoveries led to a change in the social place of drug consumption and to legislation against it. However, a historical analysis reveals that early anti-drug legislation which was undertaken in many countries at the beginning of the 20th century, directed at the various opiates, cannabinoids, and cocainoids known at the time, was highly motivated by moralistic, racist and nationalist motivations, while the scientific evidence about the dangers of those drugs was at the time inconclusive at best. In fact, even today, the scientific community is far from being united about the medical dangers attributed to illicit drugs, a fact that is almost unknown to the general public.

From a historical perspective it is easy to discern that the legal, moral and even scientific attributes of every psychoactive drug changed many times in the past and is still

changing. Coffee was banned in many European states in the 18th century and its drinkers considered possible traitors and trouble makers; miracle medicines from the 19th-century containing large amounts of opium turned into dangerous drugs; alcoholic drinks described as “diabolic” by the temperance movement became markers of good taste, and; the healthy habit of smoking became one of the greatest health hazards of our time. In short, from the point of view of drug scholarship all psychoactive drugs are equal.

Drug Scholarship, or simply the study of drugs, can be divided into three major fields:

- (i) Drug Sciences – that is the study of drugs within the context of the natural sciences and particularly the medical sciences. These days it is generally a sub-field of neurobiology and the scientific effort there is generally focused around the effects of drugs on the brain, the nature of “addiction” and the ways to identify it – whether it is an acquired disease or genetically conditioned.
- (ii) Drug Therapy – generally discussing the nature of “psychological addiction” to drugs and the proper way to treat it.
- (iii) Drug Historiography and Sociology – which is the study of past and present encounters of society and drugs. Drug Historiography and Sociology can broadly be categorized into several themes of study:
 - 1. The history of drug production and trade.
 - 2. The history of drug consumption, which also includes the medical history of drugs.

3. The history of anti-drug ideology and the movements that helped spread it.
4. The history of drug-related legislation and the drug-related law enforcement.

Drug scholarship also informs drug-related legislation and the enforcement of the drug laws in every specific country, in a close power/knowledge relationship. In a recent article, David Courtwright described the main rifts within the field of drug scholarship, between the ‘pharmacologists’ who maintain a materialist approach to drugs and the drug experience, and the ‘constructivists’ who point out to the crucial impact of human and social experiences upon the encounter with drugs. Of course, in our society the ‘pharmacologists’ are those among the community of drug scholars who maintain positive and close relations with legislators and enforcers. They also tend to ignore or simply be unaware to the merits of drug history and the achievements of drug historians that might be relevant for their own research.¹⁰⁹ Courtwright points specifically at the National Institute on Drug Abuse (NIDA) as a proponent of a scientific model that understands addiction as a “chronic, relapsing brain disease with a social and genetic component, significant co-morbidity with other mental and physical disorders, long-term changes in brain structure and function visible in imaging studies, and a defining loss of control over drug craving, seeking and use despite adverse consequences” that he calls

¹⁰⁹ David T. Courtwright, "Addiction and the Science of History," *Addiction* 107, no. 3 (2012).

“The NIDA Paradigm”.¹¹⁰ Proponents of the NIDA-Paradigm consistently ignore or underestimate historical evidence that contradicts the main assumptions of the paradigm.

This state of affairs has its own history. Our society is a narcophobic society. It is ridden with narcophobic discourse and it has been so since the late 19th century. This discourse includes distorted meaning of otherwise truthful facts, misconceptions, inaccuracies and outright myths. It is a common belief that drugs are a health danger; that they can cause addiction even if they are taken in small quantities, and; that “soft drugs” like cannabinoids, ecstasy and khat, are a segue to “hard drugs” like heroin, cocaine and methamphetamines. Many people believe that drugs cause crime, and many others believe – against all economic logic – that, in the case of drugs supply alone determines the demand. These so-called truths are taken by most people as self-evident and are rarely challenged or even examined rationally.

This discourse has many harmful consequences. The fear of addiction instilled by this discourse is so strong that some people prefer to endure unbearable pain and not use morphine-based medications. Some governments – especially in Africa – are so terrified of drugs that they refuse to accept morphine-based medications intended for cancer patients even when those are offered for free. With close to zero access to modern cancer treatment in most African countries, cancer patients are doomed to die a slow painful death with mere paracetamols to alleviate their pain.¹¹¹ The American Drug Enforcement Authority (DEA) is uncompromising in its war against cannabinoids and for several

¹¹⁰ Ibid.: 489.

¹¹¹ See Donald G. McNeil Jr., “Fear of Morphine Dooms Third World Poor to Die Painfully”, *New York Times*, 9 September 2007.

decades engaged in an ongoing relentless political battle against any attempt to allow cancer patients, even terminal ones, to use cannabis in order to alleviate some of the most unpleasant side effects of cancer treatment.

For the purposes of this dissertation, more important is the impact of the narcophobic discourse on historical research. The narcophobic discourse assumes that its arguments about drugs are laws of nature, universal in application and independent of cultural and social conditions. In other words, drugs are outside any historical context. Within this discourse, the history of drugs and drug consumption is understood in teleological terms: societies may experience a period of unrestricted drug consumption until the “truth” about the drugs is revealed and then those drugs are prohibited. In some societies this inevitable process took place in an earlier stage and other societies experienced that in a later stage.¹¹²

Historical evidence contradicts this shallow perspective. It is not the purpose of this dissertation to refute all the aspects of the narcophobic mythology, but it is imperative to disprove at least some of the common beliefs and misunderstandings about drugs, particularly those which inhibit sound and balanced historical research. First, it is true that some drugs can be a health danger, but the health dangers of drugs are not necessarily unique or set them apart from other foods, drinks and legal medications.

There is no doubt that a long-term consumption of some drugs - even in relatively small

¹¹² Within this context, it is important to differentiate between the narcophobic discourse and the neuro-scientific discourse of those who submit to the “NIDA Paradigm”. See Courtwright, “Addiction and the Science of History,” 489. However, it would not be a stretch to argue that even for those among the legislators, law-enforcers and other, who are aware of the research and conclusions of NIDA’s scientific work, the insights provided by the NIDA paradigm merely complement what is basically narcophobic discourse.

quantities - may cause an accumulated damage to the body. Taken in large doses, almost all drugs are poisonous and potentially lethal, but this phenomenon is not limited to heroin, cocaine or LSD. Over-consumption of many substances – like alcohol, fat foods, and cigarettes – may cause serious health risks, and in large quantities may even cause immediate poisoning and death.

Many health-risks related to the consumption of drugs are in reality not directly caused by the drug itself. For example, most people who die in relation to the use of ecstasy or MDMA do so because of over-consumption of water, or simply put: water-poisoning. It should also be pointed out that since the production process, wholesale and retail of almost all illegal drugs is unsupervised by proper authorities, the end-product purchased and consumed by the drug-user at the end of this chain is hardly ever the pure form of the drug by that name. Marijuana often contains large traces of dangerous pesticides that are prohibited by the USDA; heroin and cocaine are often mixed with powdered sugar, baking soda, and even arsenic and strychnine; with a lack of production standards, consumers of LSD, MDMA and meth use unknown doses of the active ingredients in the drug they are taking even when they take what appear to be similar tablets each time. In short, some of the health hazards connected with drugs are so because those drugs are illegal to consume. Criminalization has made drugs more dangerous than they used to be.¹¹³

¹¹³ Note how this argument is cynically used by anti-drug organization in their occasional publications when they warn the public from contaminated drugs, even though this danger is a direct result of the prohibitionist policy upheld and promoted by these organizations.

It should also be remembered that almost all the drugs that are currently defined as controlled substances used to be medications, and some of them still are.¹¹⁴ Opium was used to cure various ailments for thousands of years; heroin was originally a cough medicine for children; cocaine was widely used as anesthetics by dentists, and; methamphetamines were popular diet pills in the 1950s. Of course, opiates and cocaineoids in various forms are still widely used in medications and as anesthetics.

More serious is the claim that drugs cause addiction. The question of addiction is a complex one. There is no doubt that people who consume some drugs on a regular basis may develop physical dependence upon that drug, and when they stop taking the drug this dependence will be expressed by a variety of withdrawal symptoms. Those symptoms can be: headaches, pains of various sorts, increased perspirations, constipation, diarrhea, fever, nausea, shivering, insomnia, hallucinations, etc. This is true not only in relation of heroin or cocaine but in the case of alcohol, cigarettes and coffee as well. “Psychological addiction” is perceived as something different than “physical addiction” although many understand them as two aspects of the same phenomenon. To summarize the common understanding of psychological addiction to a drug, it is an urge or a desire to consume more of the drug, be it heroin, cocaine, alcohol, cigarettes or caffeine. It is usually described as an uncontrollable compulsion to continue and consume. The consumers may well be aware that the continuation of their habitual consumption is harmful to them – both physically and financially; they may hurt other people, commit crimes and betray their own previously held morals; they may even be aware that they are

¹¹⁴ Courtwright, *Forces of Habit*.

“addicted”, nevertheless their “addiction” is “stronger than themselves” and “forcing” them to maintain their habit at all costs. Those who see physical addiction as separate from psychological addiction would argue that even if a person manages to get over the symptoms of detoxification and conquer his physical addiction, he may still relapse back to his old habit if the psychological addiction was not treated. This description is known as the “disease model” of addiction.¹¹⁵

The NIDA-paradigm takes this description a step further and describes addiction as a chronic brain-disease, which characterizes people with specific “brain-structure”. According to NIDA scientists, the “addiction disease” may be triggered by various drugs or activities like sex, gambling, computer games etc. Different people with “different brain structures” may be triggered to become addicts by different things. It is also possible that some people may be “potential addicts” although the addiction may never be triggered if they do not come in contact with the substance or the activity to which their brain is triggered to become addicted.

Two important questions must be asked about this very popular notion of addiction: (1) Do drugs really cause psychological addiction, and is it really a disease? (2) Does the addict really lose control over his addiction? The answer to both these questions is negative. Let us first look a bit deeper into the nature of psychological addiction. Of course, continuous consumption of a drug causes physical dependence and a sudden break in consumption after a prolonged period of consumption causes a series of painful symptoms known as withdrawal syndrome. In some severe cases a sudden break

¹¹⁵ Jeffrey A. Schaler, *Addiction Is a Choice* (Chicago: Open Court, 2000).

in consumption (going “cold turkey” as the popular idiom describes it) can even cause death. Physical dependence on drugs is a phenomenon with clear physical symptoms. Psychological addiction, on the other hand, is something very different. It is completely a-symptomatic, meaning that the identification of psychological addiction depends entirely on the verbal report/admission of the so-called addict or on an interpretation of his or her behavior. There are no physical markers of any sort – no test of any kind – that can clearly determine whether a person ‘has’ a psychological addiction. Psychological addiction is exactly what it is – psychological. Its causes are personal experiences, cultural background and social context, not the consumption of chemical substances.

Addiction is only a disease as a metaphor. When we fall in love we understand that Eros did not really struck us with his arrows, and we understand that Poseidon is not really angry during a storm at sea, although these are illustrative and even inspiring metaphors. Yet, for some reason so many of us insist that people with psychological addiction suffer from a real physical disease. Addiction, as many scholars point out, is much more related to the life problems of the addict than to the consumption of a substance of some sort. To say that psychoactive drugs cause addiction is a misinterpretation of the connection between the material and the spiritual aspect of humanity.¹¹⁶ The NIDA-paradigm represents a revised phrasing of the disease model of addiction as it identifies the “disease” as a pre-existing condition located within the “brain structure” of the patient even before he ever used a drug. However, the refutation of the conventional disease-model applies in this case as well.

¹¹⁶ Ibid.

Drug addicts do not “lose control” over their actions. The idea that somehow drugs take over the will of the consumer and dictate his or her actions is irrational and based on no evidence apart from the testimony of the addicts themselves – which is, again, a-symptomatic. Drugs are inanimate objects and as such it is simply wrong to apply to them agency, or in other words: intentions, wills and desires. It also makes no sense to assign them the ability to control people, who are by definition intentional beings with wills and desires of their own. In this respect, drugs are even less than viruses, germs and bacteria. When viruses, germs or bacteria attack our bodies we do not think that it represents some sort of an intentional action, we do not say that the bacteria controls our minds even when it attacks our brain.

The idea that a person’s wills and desires can be completely controlled by another person – let alone an external material – relies on literary fantasies that have no scientific basis. The rise of psycho-analysis, the sweeping popularity of Communism and National-Socialism and cold war fears, can all be traced as sources for the modern-period idea that one’s mind can be put under someone else’s control. Cold War-era movies like “The Ipcress File” or “The Manchurian Candidate” represented the fear of brain-washing and mind-control rampant in western society at the time. However, all the research and experimentation done in this field during the 20th century was a declared failure that produced very little. The human will was discovered to be more resilient than what it was

initially thought to be. Thus, the idea that drugs somehow control the will of the addict simply has no scientific basis.¹¹⁷

Another related common misperception about drugs concerns the concept of tolerance. The bodies of people who use drugs – particularly “hard drugs” – develop a tolerance to the initial quantity of the drug they consume, thus in order to achieve the same experience repeatedly (the same “high”) they must gradually increase the intake of the drug they consume. According to the popular mythology about drugs, the increase of intake is linear, necessarily indefinite and without intervention the drug user will eventually die from an overdose (OD) intake of the drug. In reality, almost all habitual users reach a balanced plateau from which they do not increase their regular intake of the drug, and they are able to maintain the same level of consumption for many years and even decades. Actually, it is argued by many that most OD-related deaths from the intake of illegal drugs occur because of the current prohibitionist regime. In most of those cases it is often discovered that the patient who suffers from symptoms related to overdose intake of a certain drug either procured the drug from a new supplier or that the supplier received a new wholesale shipment of the drug. Thus, because of the vast differences of adulteration between the drugs sold by various suppliers, the users might suddenly increase their intake of the drug unintentionally.¹¹⁸ Recent research also shows that in the

¹¹⁷ This is a complicated issue but suffice it to say that many governmental and non-governmental organizations around the world were conducting intensive research since the 1940s into this issue and came out with no positive or conclusive results. It is worthwhile to note that while during the Cold War era many in the West feared that the USSR developed mind-control abilities, in recent decades the fear of mind-control is directed at new religious movements and cults.

¹¹⁸ Jeffrey A. Schaler, *Drugs: Should We Legalize, Decriminalize, or Deregulate?* (Amherst, N.Y.: Prometheus Books, 1998).

last decade most cases of death caused by an OD intake of a drug occurred as a result of unintentional over-consumption of a prescription opiate.¹¹⁹

In a similar manner, the association of drugs and crime is unjustified and misrepresented. Drugs do not cause crime. Crime is a social action that obtains its meaning within a social and legal context. It cannot be caused by inanimate objects. People cause crime, not objects. In fact, as many scholars pointed out, most criminal activity related to drugs can be directly attributed to the criminalization of drugs. Criminalizing drugs did not kill the drug business, but merely drove it underground. The danger involved in the illegal drug business drove prices up and attracted crime organizations that monopolized the business. Profits derived from the drug business were used in turn to strengthen the power of those organizations, enabling them to buy more weapons, employ more soldiers and pay more bribes. In fact, it is safe to say that the existence of some of the major global crime organizations depends on the continuation of the current prohibitionist drug policies.

Fear mongering, distortion and a good deal of racism, play an important role in the perception of “drug crime”. For example, most people are not aware of the fact that Crack (or Crack-Cocaine) is a compound of Cocaine and baking soda; therefore it is basically not different inherently than regular white-powdered cocaine. Mixing cocaine with baking soda reduces the price of the drug to a level that appeals to low-income consumers in the US, most of them African-Americans. However, a panic-stricken

¹¹⁹ Centers for Disease Control and Prevention, National Center for Injury Prevention and Control. Web-based Injury Statistics Query and Reporting System (WISQARS) [online]. (2012) [cited 2012 Feb 1]. Available from URL: www.cdc.gov/injury/wisqars.

campaign during the 1980s portrayed crack as a new drug viciously attacking inner-city communities (again, note the application of agency to a drug). The result was that Federal Sentencing Guidelines enacted in 1987 set a mandatory of 5-year imprisonment sentences for possession of mere 5 grams of crack-cocaine, while the same sentencing was set for trafficking of 500 grams of powdered-cocaine. Since most users of crack-cocaine were poor inner-city African-Americans, while the more expensive powder-cocaine was more popular among White-Americans, the result was that African-Americans were punished at a ratio of 100:1 compared with White-Americans for practically the same offense.¹²⁰

Another myth about drugs is the argument that when it comes to drugs - supply alone may determine the demand. It is a counterintuitive argument that goes against normative economic rationale, but in fact it is a more sophisticated argument than it first appears and it is used in various forms to justify prohibitionist policies. According to this argument, in the case of drugs like opium, heroin, alcohol, cocaine and cigarettes, there is a clear connection between the increase of supply and the increase of demand. When government limitations on the importation of opium into China had been removed following the Opium Wars, Indian opium flooded the Chinese market and the result was a sharp rise in the consumption of opium in China; Following the beginning of industrial production of opium in Iran in the 1850s, was a constant rise in the consumption of opium within Iran throughout the second half of the 19th century; During the years of alcohol prohibition in the US, alcohol consumption dropped to its lowest rate ever in the

¹²⁰ David H. Angeli, "A Second Look at Crack Cocaine Sentencing Policies: One More Try for Federal Equal Protection," *American Criminal Law Review* 34, no. 3 (1997): 1212. This was later corrected by the United States Sentencing Commission in the late 1990s.

entire history of the United States. The practical conclusion is, according to the proponents of this argument, that supply alone may explain the rise or the demise of a given “plague of drug addiction”, and thus limiting and even extinguishing the supply of drugs will entail a reduction in the demand for those drugs. Permitting the supply of drugs – even under supervision and limits – will inevitably increase the demand for and the consumption of those drugs. This reasoning explains why since the 18th amendment for the United States Constitution was repealed in 1933,¹²¹ there was a constant rise in the consumption of alcohol in the US; and why the decriminalization of cannabis in the Netherlands brought a sharp rise in the consumption of that drug there alongside with a sharp expansion of drug-tourism.

Yet, there are several basic flaws and problems with this line of argumentation. First, as I have mentioned before, it is based on the mistaken application of agency to drugs. People who believe that drug users lose control over their wills and desires are susceptible to believe that the mere existence of drugs in the market has some magical influence on the drug consumers who feel an uncontrollable desire to purchase them. The more serious problem with this argument is that not only it over-simplifies the cases quoted, but also - very similar to astrologers - the proponents of this argument ignore and do not try to explain historical cases that go contrary to the logic of their argument. The increased demand for opium in China during the 19th century received many other explanations that focus on social and cultural reasons: urbanization, improved

¹²¹ The 18th amendment to the United States Constitution, ratified on January 1919, prohibited “... the manufacture, sale, or transportation of intoxicating liquors within, the importation thereof into, or the exportation thereof from the United States and all territory subject to the jurisdiction thereof for beverage purposes ...”. On December 1933 the 21st amendment to the United States Constitution repealed the national prohibition regime.

transportation, the spread of leisure culture, the rise of a new bourgeoisie etc.¹²² Relying merely on the supply levels of opium to explain opium consumption in China ignores the social and cultural context of opium consumption in that country.

Historical evidence can also be used to refute this argument more directly. During the last decades of the 19th century, the Government of India was carefully controlling the production of opium in order to block the flooding of the Chinese market and subvert a price reduction. By the end of the 19th century, while production in India was rising, sales of Indian opium in China were plummeting, as locally-produced opium and Persian opium took its place. In fact, during the 1890s a mere 50% of the annual production of Indian opium was sold in China and the rest remained in storage in India, and even this came after the production of opium in India during that period was reduced by 50% compared with the previous two decades. The conclusion is that demand for drugs – like any consumer products – relied on factors like prices, taste, fashion, consumer trends, and not simply on the mere availability of the drug in the market.

Mirroring the negative myths about drugs, similar myths abound about the positive effects of drugs as well, though most are equally unfounded. Most famously, popular culture has perpetuated the myth about the creative inspiration drawn from drugs, particularly the hallucinogenic ones. Creativity is neither bound by nor released by chemicals. The use of opium by Samuel T. Coleridge, Lord Byron and Thomas De Quincy is often pointed out as an example of the creative power “released” by the use of

¹²² Yangwen, *The Social Life of Opium in China*. Dikèotter, Laamann, and Xun, *Narcotic Culture*.

drugs.¹²³ However, a sober and unbiased examination shows that creative people are creative independent of the drugs they may or may not consume. Untalented people do not become talented because of drug use.¹²⁴

The narcophobic discourse amounts to a flawed understanding of the role of drugs in history and misguided conclusions about the proper place of drugs in contemporary society. The understanding of drugs as mere chemicals, and the drug experience as a mere chemical sensation of the brain, strips drugs of their cultural significance and drug experiences of their social context. Trusting the truthfulness of the narcophobic discourse, the public is mostly unaware that those claims remain unsupported by scientific evidence. Segregating drugs to the domain of the medical prevents a serious examination of the role of drugs in society, while politicians use the fear of the so-called “drug problem” for self-promotion through misguided legislation. In the last century, drugs were used repeatedly as a scapegoat that channeled society’s fears of social, economic, racial and political instability. Focusing on the misery of drug-addiction and fighting an unwinnable “war on drugs,” diverts our attention from the real problems of social injustice that relate to drug consumption. Historical evidence reveals that societies experienced drugs differently and show the absence of a uniform drug experience. The consumption of the same drugs served a wide range of cultural purposes across time and

¹²³ Coleridge claimed himself that his famous poem “Kubla Khan; or, A Vision in a Dream: A Fragment” was written under the influence of opium.

¹²⁴ After the release of the animated picture “Yellow Submarine” it was commonly suggested that LSD was widely consumed throughout the production process. In the commentary track added to the 1999 DVD-release of the movie, John Coates, production supervisor of the movie, rejected that myth as he recalled that the making of the movie required a concentrated effort by large crews of art-students who manually drew and painted every frame of the movie under an enormous pressure to meet the release deadline. Had they taken enormous amounts of drugs, as suggested, that would have probably prevented them from dealing with the enormous workload and meeting the deadline for the premiere.

place. An unbiased understanding of the role of drugs in history may help us not only to deal more reasonably with the question of drugs, but also to face more honestly the problems of our modern society.

Disavowing the narcophobic discourse, this research intentionally avoids the facile explanations of “addiction” or “loss of control” to explain, for example, the commercial success of certain kinds of opium among certain kinds of population. Understanding the basic flaws of those ready-made explanations may not only encourage the suggestion of alternative explanation but also bring about new research questions that otherwise would not have been asked. These questions in turn would provide new ways to understand the history of drugs as part and parcel of normal human history, and undo pitfalls of synchronic analysis and the distorting romantic spell of exoticism surrounding them.

CHAPTER 4

The connection between India and opium has long shaped the contours of the classic story of colonialism and imperialism. As in Iran, opium was a familiar product manufactured sporadically in various regions since ancient times. Since the end of the 18th-century the East India Company revolutionized the production of opium, converting it into India's most crucial commodity. The Company helped transform the Indian opium business into one of the most successful and prosperous commercial ventures in history. From its base in Calcutta the East India Company established a meticulous monopoly system of licensing, collection and processing of opium. Licensed peasants in Bengal and other north-eastern regions of the sub-continent were allowed to cultivate opium poppies. The Company's agents collected the raw opium from the peasants to be later processed in factories located in Patna and Benares. Processed opium was then sold to supercargoes, or in other words merchant-smugglers, who assumed the risk of smuggling opium into China, where it was nominally illegal through most of the 18th and the first half of the 19th centuries.

The Company's army enforced its monopoly on the production of opium in the areas under the company's control.¹²⁵ The lucrative trade of opium with China resulted in a complete reversal of the balance of trade between the British Empire and China. The high demand for tea in England and its colonies during the 18th century caused an outflow of silver from Britain into China who had no need or desire for British goods. The opium

¹²⁵ The classic summary of the British opium enterprise in Asia is still Owen's *British Opium Policy in China and India* from 1934. Despite its tendency for occasional debates about the moral aspects of the opium trade, the writer's obvious lack of sympathy for British Colonialism and the opium trade in general keeps the book and its main theses fresh and relevant.

trade tilted the scale and within a few decades drained China of its silver and caused a severe economic crisis in the country.¹²⁶

The success of the East India Company relied on its ability to maintain a monopoly on the production of opium in India and a monopoly on the sale, or to put more correctly the smuggling, of opium in the China market. But this success soon encouraged others to try and participate in this lucrative market, and the Company had to find ways to defend its monopolistic status. Other regions in the sub-continent where opium was traditionally cultivated were perfectly suited for massive opium production, especially in the Malwa plateau and Gujarat, areas over which the East India Company had very little control.¹²⁷ This Malwa opium, which the British defined as “illicit”, was shipped to China through ports in the West-Indian Portuguese colonies of Goa, Daman and Diu. During the first half of the 19th century the East India Company made enormous efforts to annihilate opium production in the Malwa states, or at least block its arrival at the Portuguese ports. But despite many such attempts as well as endeavors to purchase Malwa opium directly from peasants, to convince local Maharajas to ban the production (or at least the passage) of opium in their territories, the Company’s efforts were to no avail. The risk for the Company’s monopoly was that even though Malwa opium was considered an inferior product to the Company’s Patna opium, it could pull down the prices of all opium products in the market.

¹²⁶ Dikèotter, Laamann, and Xun, *Narcotic Culture*. especially Chapters 1 and 2.

¹²⁷ The British takeover of India was a gradual process that lasted centuries, and even at its peak there were many regions within the subcontinent that were only nominally controlled by the British Raj through an intricate system of agreements with local rulers.

However, over the years, the Company has reached a *modus vivendi* with the Malwa opium and managed to not only embed it into its opium monopoly scheme but also to profit directly from it. The Company decided to allow the export of Malwa opium from the Bombay port, and the Bombay port alone, and exacted a nominal fee as pass duty per chest entering Bombay from land. This policy was at first only a mild success, and “smuggling” continued for a while, but the British takeover of Sindh in 1843 was a timely event that sealed the last entrepôt through which Malwa opium was shipped to Daman and Diu. After 1843 the company gradually increased the pass duty to unprecedented levels. On top of that, the Company enacted since the 1820s an enormous preventive pass duty on opium entering the Bombay port by sea, carried on ships from countries with whom Britain had a commercial treaty that did not allow preventing the importation of certain items, thus effectively blocking opium from Iran and the Ottoman Empire to be shipped to China.¹²⁸

This combined set of policies made it possible for the Company, at least in the first decades of their application, to control and manipulate the prices of opium in China in order to keep them at an optimal level. The leadership of the Company believed that if the prices of Malwa opium were too low it would create an incentive in the Chinese market to buy more Malwa opium at the expense of the fully-British-controlled Patna opium, thus creating an undesirable competition that would force a price reduction of Patna opium as well. By raising the price of the pass duty on Malwa opium in Bombay

¹²⁸ This episode is related in details in Owen, *British Opium Policy in China and India*, 80-112. An intrinsic view of the events of this period and a brilliant re-interpretation of opium “smuggling” as an act of resistance to colonialism, see Farooqui, *Smuggling as Subversion: Colonialism, Indian Merchants, and the Politics of Opium, 1790-1843*.

the Company could artificially increase the costs of production and transport for the merchants which encouraged them to raise the market prices, thus keeping the price of Malwa opium close enough to the price of Patna opium.

Prices that were too high posed different kind of risks. For one, high prices would have created an incentive for merchants to bring non-Indian opium to China relying on the high-prices to cover the extra costs of delivery and potential risks. An additional risk was that prices that were too high would lower the barriers-to-entry into the market for local cultivation of opium in China. The Company assumed that at a certain level, high market prices for opium would encourage local Chinese entrepreneurs to venture into opium production despite the imperial decree that forbade it. This scheme also carried the risk of opium from other sources arriving on the Chinese market beyond the British ability to manipulate it.¹²⁹ However, given the limited technology of maritime travel by the first half of the 19th century, ships arriving from the west on their way to the East-Asian markets were forced to stop at Bombay for supplies and had no suitable alternative port they could use for this purpose. Taking advantage of this situation, the preventive pass duty for opium entering Bombay by sea was kept at a level that was higher than the price of opium in the Chinese markets, a move that made the export of non-Indian opium completely unprofitable. This policy practically prevented opium shipments from other countries, such as Iran and the Ottoman Empire, from arriving in China and kept the market almost free for Indian opium and East India Company manipulations.

¹²⁹ See a detailed discussion of this policy in an analytical report by C. Beadon, Lieutenant Governor of Bengal, in NAI/FND/SRB/A Proceedings/August 1867/No. 32-38.

In light of this context, two major questions arise with regards to the development of the opium business in Iran: how did Iranian opium manage to succeed in the British-controlled Chinese market despite all those obstacles? And, why did it happen in that specific period? Current historiography either disregards these question or deals with in an indirect fashion.

As I mentioned above, it is widely agreed that the general phenomenon of cash crop cultivation in Iran during the second half of the 19th century was one that developed as a response to the growing deficit in Iran's trade balance and the economic devastation of the manual arts and crafts by imported finished goods from industrialized countries. It was assisted by technological improvements in sea-faring, particularly steam navigation, which made it not only possible but cheap to export cash crops out of Iran. Opium, according to this line of argument, was merely an incidental success for a product that was already easily and widely cultivated in Iran, which found a ready market in China. This is basically the position found in Olsen, Keddie and many other scholars who concentrated in their writings more on the impact of opium cultivation (and cash crops in general) rather than its origins.¹³⁰ Even Ahmad Seyf who mentions that the profitability of large-scale production of opium in Iran was already predicted in the early 19th century, fails to explain why the opium industry in Iran started growing only in the 1860s.¹³¹

One attempt is made by Gad Gilbar who suggested that a sharp increase in the cultivation of cotton at the expense of poppy cultivation occurred in India during the

¹³⁰ Keddie, "The Economic History of Iran."; Olson, "Persian Gulf Trade."

¹³¹ Seyf, "Commercialization of Agriculture," 240.

cotton famine of the early 1860s caused by the US Civil War (1861-1865). This shift supposedly caused a shortage of opium supply in China and created an opportunity for Iranian merchants to set a foothold in the Chinese market.¹³² It is an interesting speculation that connects well to some very well-known historical developments. The cotton famine of the 1860s indeed caused a sharp increase in the production of cotton in India, as well as in Egypt, Iran and other countries around the world. However, reports of the British Government of India on the production and trade of Indian opium from the period show no indication that there was any noticeable reduction in the production of opium in India during that period, certainly not one that came as an immediate result of increased cotton production. In a detailed analysis of India's production and sale of opium by A. Eden, Secretary to the Government of Bengal, from 1869, the following table (Table 1) is supplied:¹³³

¹³² Gilbar, "Persian Agriculture," 327.

¹³³ NAI/FND/SRB/A Proceedings/No. 110/ May 1870, p. 17. The report is bundled as part of a printed collection of reports titled "Best Mode of Realizing Opium Revenue". An earlier report in that bundle, by Sir W. Muir, "on the Taxation of Malwa Opium and the Revenue derived from Opium in general" (No. 100, dated 22nd February, 1868), the average amount of chests sold in Calcutta is quoted as 41,000 for the years 1856-1858 and 28,000 for the years 1858-1860, which means that the temporary decline in the sale of Patna opium began before the American Civil War.

Table 1: Report on the Export of Malwa and Bengal Opium and their prices, 1861-1869

	Number of Chests exported from Bombay	Price in China of Malwa Opium (in Rupees)	Number of chests sold in Calcutta	Price in China of Bengal Opium (in Rupees)
1861	29,250	1,558	21,423	1,994
1862	48,730	1,617	29,393	1,554
1863	31,592	1,579	39,240	1,439
1864	35,275	1,501	49,640	1,124
1865	29,796	1,515	64,111	1,016
1866	35,722	1,781	40,000	1,376
1867	35,534	1,629	47,999	1,352
1868	34,628	1,505	48,000	1,435
1869 (six months)	19,821	1,515	22,470	1,422

As Table 1 shows, there is no noticeable pattern of reduction in the sale of Indian opium to China during the American Civil War when production in India allegedly decreased to give way for the production of cotton, and in fact it appears to be on the rise in some years. One should also remember that even at the peak of its production in the 1880s, Iran's opium export did not exceed more than 10,000 chests of opium,¹³⁴ rendering the suggestion that Iran could make up for a reduction in the production of Indian opium improbable.

It is imperative to point out that the rise of opium production in Iran and its success in the Chinese market are not to be treated lightly or considered as obvious. Since the common perception is that opium is a "special" product that holds a unique type of "attraction" for the consumers, it is necessary to emphasize that just like any other product, when the price of the opium becomes too high; customers' inclination to buy it declines. Though it is a common belief that opium consumers (and heroin consumers, for the same purpose) will buy their drug no matter what the cost might be - because they are "addicted" - in reality it is simply not the case. That was not the case in 19th-century China and it is not the case even with the most habitual of opiate-consumers in our contemporary society.¹³⁵ Like many other business ventures, the success of Iran's opium can be explained by a combination of a good quality product brought to the market in the right time. Both these factors – "timing" and "quality" deserve an in-depth analysis.

With regards to timing, several historical developments contributed to the success of the exportation of Iranian opium to China in the second half of the 19th century: (1)

¹³⁴ Floor, *Agriculture in Qajar Iran*, 451-52.

¹³⁵ See Chapter 3 for the more elaborate debate of this issue.

Improvements in steamboat navigation; (2) the opening of the Suez Canal; (3) the end of the Second Opium War in China; and, (4) A crisis of opium prices in India and China in the early 1860s.¹³⁶

As discussed above, the preventive duties on opium which entered the arrived at the port of Bombay by sea effectively prevented the exportation by sea of non-Indian opium to China. Iranian merchants responded by searching alternative routes for trade with China that would enable them to bypass Bombay. The land route to China along the ancient Silk Road was proven too costly and too dangerous, and it was quickly abandoned.¹³⁷ One option used by Iranian merchants was to send their opium to Java and from there to China. Later on there was even an attempt to send opium directly to China from the Persian Gulf.¹³⁸ Iranian merchants soon discovered that the best and cheapest route to China goes through the port of Aden where the pass duty for re-exporting opium was merely 10 Rupees (Rs.) per chest - significantly lower than that of Bombay. Later they sent their opium to Suez where it was transshipped to China duty free.

Following the technological improvements in steam-navigation during that period, more and more shipping lines offered their services for carrying goods. This gave Iranian merchants a larger choice of non-British ships that were willing to travel to China

¹³⁶ The first and the second developments are suggested by Gilbar and Olson. Gilbar, "Persian Agriculture," 327-28; Olson, "Persian Gulf Trade," 183-84.

¹³⁷ NAI/FD/Political – A/July 1869/No. 259-260.

¹³⁸ See NAI/FND/SRB/A Proceedings/May 1867/No. 28-41, and NAI/FND/SRB/A Proceedings/February 1868/No. 107-110. A report titled "Opium Trade Between Persian Gulf and China" from January 1869 provides a detailed list of Swedish, Dutch and British ships that which sailed directly from the Persian Gulf to Singapore and China carrying a total of over 1500 chests of Persian opium. NAI/FND/SRB/A Proceedings/April 1869/No. 10-18.

without touching port in any British-controlled port along the way.¹³⁹ The opening of the Suez Canal accelerated this process as even more shipping lines between Europe and East-Asia were available for Iranian merchants who wanted to ship their opium to the Eastern markets.

The end of the Second Anglo-Chinese War also known as the Second Opium War (1856-1860) and the signing of the Treaties of Tienjin were an additional factor which helped the successful introduction of Iranian opium into China. The main achievements of the war, i.e. the expansion of the rights to trade in China, the ceding of additional ports in China for foreign trade and, above all, the legalization of opium trade in China, were supposed to embolden the hold of the British Empire over the China. Merchants of Indian opium expected that the new treaties would ease significantly the trade of Indian opium in China. However, the forced legalization of the opium trade in China was also good news for local entrepreneurs in China who began producing massive amounts of opium in the southern regions of the country, and of course for merchants who dealt in imported non-Indian opium from Iran and the Ottoman Empire.

The Chinese market post-1860 was flooded with opium which caused a significant price reduction. The new lower-level of opium prices was able to guarantee profit only to opium that cost significantly less to produce and transport to China.¹⁴⁰ This made Iranian opium highly attractive for merchants since its production costs were lower

¹³⁹ Gilbar, "Persian Agriculture," 327.

¹⁴⁰ See Owen, *British Opium Policy in China and India*, 214-41. For a detailed discussion of the legalization of opium in China. See Footnote 133 for a detailed price table of opium in the 1860s. Prices in the 1850s were generally between 1600-1800 Rs. per chest, a level to which they did not return after the 1860s.

than those of the Indian opium and, on top of that, Iran did not have the elaborate customs system the British Raj imposed on Malwa opium. The British victory in the Opium Wars destabilized the Chinese opium market and opened it for non-Indian opium who took over the market eventually, significantly reducing the profitability of producing opium in India.¹⁴¹

One particular affair of an early crisis in the opium market that took place in the summer of 1861 may be seen as an early example of developments that led to the success of Iranian opium in China. The end of the Second Opium War created high expectations in India that the opium trade would significantly expand and that a price increase would soon follow that expansion. However, an unexpected rise in the crop of both Patna and Malwa opium in 1861, and the beginning of local opium cultivation by Chinese entrepreneurs, kept prices in China at bay and sales at a slow pace. This had disastrous results for the Indian opium market. Advanced purchases of opium in above-market prices by local merchants in the Malwa states who borrowed money to fund those purchases, left them with cheap opium, incapable to cover their debts. Speculators in Calcutta, who contributed to the price rise in April and May 1861, found themselves in a similar state of insolvency in June 1861. The attempt of all those to quickly regain some of their losses by getting rid of their opium chests in a hurry, pushed the prices even further down. The concurrent refusal of the British government to reduce the pass duty of

¹⁴¹ The British intentions behind their initiative to legalize opium in China are a complicated issue. Owen cleverly shows that Lord Elgin, who oversaw the signing of the Treaties of Tienjin which legalized opium in China, was in fact personally opposed to the opium trade and fully aware that legalization was not in the interests of the Indian opium trade. He was convinced, though, that legalization was preferable to the previous situation of a government protecting the right of merchants whose trade is a clear violation of another country's legal code, as he argued that "Legalization is preferable to the evils attending the farce now played". Owen, *British Opium Policy in China and India*, 228-29.

700 Rs. on Malwa opium at Bombay as a measure to stop this deterioration caused many merchants to significantly reduce their shipments of opium to China.

According to a memorandum sent to the Acting Commissioner of Customs, Salt and Opium in Bombay in July 1861, the cost of purchasing opium and sending it to China, reached 1,550 Rupees while the price of opium in China fluctuated around 700 HK Dollars or 1,540 Rupees (at the contemporary exchange rate of 2.2 Rs. per HK Dollar). This meant close-to-no profit for the opium merchants who withheld their stocks and minimized their shipments awaiting a price increase or a decrease in the pass duty.¹⁴² This affair took place at basically the same time in which, according to almost all the available sources, the sales of Iranian opium in China began to rise. Since there was no reduction in the demand for opium in China during the 1860s Iranian opium could easily be sold there, and due to its lower production and taxation cost (compared with both Patna and Malwa varieties of India opium) Iranian opium was still profitable for the merchants who dealt with it. While Indian merchants withheld their stocks of Indian opium, merchants who dealt with Iranian opium were only limited by the amounts of opium Iran could produce and export.

It is not easy to determine where was most of the opium profit made, and contradicting information exists that point out various groups as the main profiteers. According to the 1881 report of Ronald Thomson, the British Minister in Tehran, the opium-cultivators and the middlemen who collected the opium and sold it the exporters made most of the profit. He presents a detailed receipt delivered to him by one merchant

¹⁴² NAI/FD/SRB/A Proceedings/No. 9-17/22 October 1861.

that shows the cost of sending a chest of opium from Bushehr, that is the Freight On Board (FOB) price, is 1255 Rs., including all charges, customs and commissions. At this price the said-merchant could not make a profit since the prices in China at the time were 539 HK Dollars, that in 1881 were 1179 Rs., i.e. representing a loss of 79 Rs. per chest.¹⁴³ Despite the perceived loss incurred by that particular merchant, it is crucial to note that the real cost of Iranian opium was significantly lower than the real cost of the Indian brands of opium.

Of course, one must be cautious with declarations made by merchants regarding their expenses and their declared losses. It is indeed a well-known fact that the opium trade in the 19th century was a highly-speculative trade given to highly-fluctuating prices determined by a variety of difficult to foresee conditions. It is also true that many opium merchants of various nationalities indeed went bankrupt. Because of the time it took to ship opium from Iran and India to China, prices could change significantly between the time the opium chests were loaded in the Indian Ocean and the time they were unloaded in China. Merchants could keep opium in storage and wait for the right opportunity to load it and send it to China or London, but they could not do the same in China and London after they already sent the opium. Thus, if the process were low upon arrival, their agents were still forced to sell in order to recover at least some of the costs. At the same time, it is also well-known that many merchants made a fortune in that market, and

¹⁴³ NAI/FD/General A/January 1882/No. 50-5.

the examples are numerous. Only a meticulous research in the private papers of opium merchants may reveal the real extent of expenses, profits and losses.¹⁴⁴

But even if we accept this presentation of the FOB cost of opium chests in Iran, clearly the only way to see profit in such business was to receive a better price on each chest, and that could best be achieved by improving the quality of the opium sold. The quality of Iranian opium – either good or bad – was referred to by various writers, although it is difficult to point to any publication where this subject fared prominently. There is plenty of evidence in historical documents discussing the quality of Iranian opium, which testifies to the importance of this issue for contemporary consumers, producers, merchants and pharmacists. However, in historiographical writing these references are usually treated as anecdotal, except for an occasional discussion about the economic problems caused by over-adulteration.¹⁴⁵

Ahmad Seyf is the only scholar who dealt with the question of the quality of opium itself in Iran, as a separate discussion alongside the question of adulteration. According to Seyf, The quality of Iranian opium was poor in the 1850s and declined even further way into the early 20th century. Seyf suggests that “On the one hand, widespread adulteration of the opium destined for the Chinese market tended to reduce the price it fetched there, whereas on the other hand, unchanging primitive methods of cultivation and preparation meant that its quality was not improved and in most cases

¹⁴⁴ The study of private archives such as that of the Sassoon family or that of Amin al-Zarb may shed a light on this issue, although each of those archives comes with its own sets of access difficulties.

¹⁴⁵ Gilbar, "Persian Agriculture," 331-32; Floor, *Agriculture in Qajar Iran*, 449-51.

deteriorated.”¹⁴⁶ This he bases mainly upon the declining prices of opium for export throughout the second half of the 19th century. The argument rightly made here by Seyf is that there is a connection between the quality of a mass-produced product like opium and the existence of economic progress in Iran. The alleged deterioration in the quality of Iranian opium is for Seyf proof for the distorted nature of opium production that actually stalled Iran’s economic development instead of introducing progress.

When referred to opium, this argument is difficult for some scholars to accept, since the production of “dangerous” drugs is normally perceived as a danger to society not as a marker of economic progress. Nikki Keddie, for example, simply refused to even discuss this possibility, faced with this stipulation about the positive role of opium in the Iranian economy.¹⁴⁷ However, notwithstanding moralistic objections to opium production and consumption, the historical evidence shows that the quality of Iranian opium did indeed improve in the second half of the 19th century, an improvement that could not have happened without the spread of modern scientific knowledge in Iran, a phenomenon which in itself is a signifier of social and economic development.

The quality of opium is established upon a large variety of categories, some of them are objective characteristics and some are more subjective. Since opium is not a simple product but an array of products used for different purposes, various opium products may receive different evaluations even if the basic source material – hardened dross of the opium-poppy flower – is similar. Objective categories may include details

¹⁴⁶ Seyf, "Commercialization of Agriculture," 246-47.

¹⁴⁷ Nikki Keddie is practically reprimanding Gad Gilbar for suggesting that the opium trade was a positive economic development in Iran. See Keddie, "Iranian Revolutions in Comparative Perspective," 581.fn. 2

such as the morphine content, the purity of the mixture, the amount of adulterating substances, the quality of the packaging, the existence of plant leftovers, moisture level etc. Subjective categories may include odor, taste, after-taste, sweetness, sharpness etc. Iranian opium was marketed in two main forms: Smoking opium and Medicinal opium. Persian Smoking opium, or *prepared opium*, was exported mainly to China as a slightly moist mass divided and packed in a variety of sizes and shapes. Medicinal opium, intended for use in the preparation of pharmacopeia, was exported to Europe and the US as either a moist mass, similar to smoking opium, or as dried powder. Smoking opium was a processed mixture of opium and other materials such as oil and fruit juices with a morphine content of about 7%. Pharmaceutical opium was a purer product with hardly any adulterants boasting a morphine content of up to 13%.¹⁴⁸

The discovery of morphine in the early years of the 19th century was a most welcomed development among everyone in the medical professions. Until the 19th century there was no method to tell the difference between various opium products. This was not simply a business issue, but an important medical one. With no understanding of the compound nature of opium there was no way to know how much opium should be prescribed to a given patient.¹⁴⁹ The discovery of morphine changed that and gave doctors and pharmacists a standard by which the strength of the medicine could be

¹⁴⁸ “Memorandum by Mr. G. Lucas regarding Cultivation of the Poppy in Persia”, NAI/FD/General-A/September 1879.

¹⁴⁹ Molière, the 17th-century French playwright, made a reference to opium in his famous mockery of the medical establishment of his time, in his play “The Imaginary Invalid”. In a burlesque ceremony representing the admission of a certain Mr. Geronte to the degree of Doctor of Medicine written in macaroni-Latin, the nominee is asked to explain the soporific effect of opium. To this he answers: “Mihi a docto doctore / Domandatur causam et rationem quare / Opium facit dormire. / A quoi respondeo, / Quia est in eo / Vertus dormitiva, / Cujus eat natura / Sensus assoupire.”

controlled and designed for the needs of the patient. However, up until the 20th century producing morphine was not a simple process and it required expensive equipment that was only available in well-equipped scientific laboratories or large factories. Morphine in its pure form remained expensive and unobtainable for most patients who continued to use various forms of opium as a remedy for their ailments. For honest pharmacists and doctors, knowing the percentage morphine in a given sample of opium became a crucial issue and pharmacological literature from the 19th century is filled with laboratory analysis of samples taken from leading opium brands in the market and various methods designed to assist the pharmacist to establish the morphine percentage of the opium supply in his shop.¹⁵⁰

There are no reports on the quality of Persian Opium from the 1850s and early 1860s, but according to all testimonies it was of poor quality. Ronald Thomson, the British Chargé d'affaires in Tehran, reports in May 1869 that Persian Opium improved significantly during the previous decade. He reports about variations in quality between regions, with the Caspian provinces producing the worst kind of opium, Khorasan, Yazd, and Isfahan producing average quality of 7-10% and Kerman and Kashan producing the best opium with 12-13% morphine content.¹⁵¹ A year earlier, the first reference to Persian opium appears in the Proceedings of the American Pharmaceutical Association. A lab report about various samples of Persian opium finds 8-10% morphine in the high-quality

¹⁵⁰ The 19th-century issues of professional pharmaceutical journals like *Proceedings of the American Pharmaceutical Association at the Annual Meeting*, or its British counterpart *Pharmaceutical Journal and Transactions* are filled with an abundance of methods and recommendations for pharmacists to determine the morphine content of their opium. Periodical accounts reported the morphine content of samples taken from leading opium brands in the market.

¹⁵¹ NAI/FO/Political – A/July 1869/No. 259-261.

samples and 5-6% morphine in the low-quality samples.¹⁵² A report in the British *Pharmaceutical Journal and Transactions* from 1875-6 reports that in the 1860s Persian opium used to yield 5-8% of morphine, but recent specimens were found to contain 10% morphine.¹⁵³ As a result, the prices attracted by Persian opium improved accordingly. While in the 1860s Persian opium would sell for 250-350\$HK per chest, by 1879 Persian opium sold in the Hong-Kong market for 450-520\$HK per chest.¹⁵⁴

The low quality of Persian Opium in the early years of modernized production was the result of two factors: first, the actual low percentage of morphine in the raw opium collected from the poppy fields; and, second, the massive adulteration of foreign materials during the preparation process. The adulteration of opium is not necessarily an act of fraud, because “opium” was indeed a processed product and adding flavors and stabilizers to the mixture was considered a required expertise not a fraudulent act.¹⁵⁵ Of course, when some merchants took advantage of this fact to increase the amount of adulterants and lowered the amount of raw opium in the mixture, the Chinese buyers reacted with a severe backlash and rejected entire shipments of Iranian opium, forcing the producers and merchants to improve the product significantly.¹⁵⁶

Iranian opium improved even further by the 1890s. Meticulous lab tests conducted in India in specimens of Persian opium revealed that it was superior to Patna

¹⁵² “Persian Opium” in *Proceedings of the American Pharmaceutical Association (PoPAP)*, 1868, p. 175.

¹⁵³ “Report on Persian Opium” in *Pharmaceutical Journal and Transactions (PJT)*, 1875-6, p. 890.

¹⁵⁴ “The Persian Opium Trade by Walter Baring”, NAI/FD/General A/January 1882/ No. 50-52.

¹⁵⁵ The processing of opium contained adulterants such as oil, fruit juices, starch and sugars in the final product.

¹⁵⁶ This was the case in 1877. See NAI/FD/ General A/September 1879/No. 31-33; and, “Persian Opium Trade” in *PJT*, 1879-1880, p. 800.

opium in every respect. Not only had its morphine content of 11-13% surpassed the 5% on average of Patna opium, but its consistency was over 90% while the consistency of Patna opium was merely 75%. The report finds the higher prices fetched by Persian opium wholly justified. According to the report the Bengali opium to the Persian opium is “as a glass of port to a glass of gin or as a Havana cheroot to a Burma”. To further impress the superiority of the samples of Iranian opium over the Indian ones, the report states that there is “no reason to try to imitate the Persian drug. It would be difficult, if not impossible, to manufacture all the Bengal opium to a standard 90%”.¹⁵⁷

Iranian opium was successful even in the face of the growing place of Chinese-grown opium in the China, since, as explained by Zheng Yangwen, imported goods carried a particular attraction for Chinese consumers who considered them exotic markers of good taste and affluence.¹⁵⁸ Iranian opium was making a similar impression in the European markets, and a report from 1884 details that for the first time Iranian opium was sold in European markets for better prices than Turkish opium from the Ottoman Empire, which was the leading brand in those markets for generations.¹⁵⁹ The analysis of Table 2, which details the opium prices in the early 1890s clearly shows that at its best, Iranian opium fetched the best prices in the market. The enormous difference between the prices in 1891 and 1894-85 can be attributed to a momentary crisis of trust when over-adulterated opium from Iran was discovered and rejected in China, pushing down the price of all opium coming from Iran.

¹⁵⁷ NAI/Finance and Commerce Department (FNCD)/SRB/A Proceedings/June 1896/No. 636-648.

¹⁵⁸ Yangwen, *The Social Life of Opium in China*.

¹⁵⁹ “Report on Opium Trade and Prices” in *PoAPA*, 1884.

Table 2: Opium Prices of Various Brands of Opium in China, 1890-1895¹⁶⁰

	Behar		Benares		Malwa		Persian	
	New	Old	New	Old	New	Old	New	Old
1890	479	487	478	476	500	520	456	418
	515	504	514	481	525	544	500	508
1891	474	480	454	45	490	517	297	297
	498	508	489	497	497	532	445	410
1892	500	507	479	489	496	528	281	273
	610	641	630	639	541	559	434	440
1893	551	543	544	538	520	535	419	396
	611	586	616	635	607	624	545	584
1894	617	633	602	625	591	611	554	581
	839	706	830	694	684	704	739	807
1895	720	728	713	708	684	714	707	767
	864	871	842	881	708	742	757	803

(All prices in HK Dollars. Ranges represent maximum and minimum points in the market throughout the year.)

¹⁶⁰ NAI/FC/SRB/A Proceedings/September 1895/No. 989-991.

The increasing quality of Iranian opium can certainly be attributed to the talent and entrepreneurship of the peasants, but It is only logical to conclude that scientific knowledge and high-level of agricultural proficiency were also required in order to raise the morphine content in the opium poppies growing in Iran, though only indirect evidence exists in this respect. In one report it is mentioned in passing that agents from France have occasionally been sent to Iran to collect samples of opium for testing.¹⁶¹ Thus, it is possible that this connection may have included a transfer of agricultural knowledge back to Iran, but no additional information suggests that this was the case. In any case, Iranian cultivators rightly deserve the credit for this achievement which should not be taken for granted. Pharmaceutical journals from the 19th century are abundant with reports about attempts to develop opium poppy cultivation in European countries or in the US, but although some of those small-scale experiments yielded excellent results,¹⁶² similar success in large-scale cultivation projects was never realized.¹⁶³

Additionally, a botanist from the Government of the United Provinces in Allahabad requested the British Legation in Tehran for a sample of poppy seeds from various regions in Iran since he heard that they yield higher morphine-content than the Indian variety. He was answered that the difference in morphine-content stem from the method of cultivation rather than the biological variation.¹⁶⁴ A noteworthy aspect of this

¹⁶¹ NAI/FD/Political A/July 1869/No. 260.

¹⁶² One report from 1870 even mentions an experiment in Tennessee that yielded opium of 20% morphine content, although with only limited amounts of opium actually produced successfully. *PoAPA*, 1870.

¹⁶³ Even today, opium-poppy cultivators for the legal market who use the poppy-straw method, produce opium of very low morphine content, although they rely on mechanized picking and processing which makes the collection process more cost-efficient.

¹⁶⁴ NAI/FD/External-B/December 1916/No. 525-527.

process was the fact that the improvement in the quality of Iran's opium took place in various places around the country, which meant that there was an efficient way for knowledge to spread throughout Iran even though links between different parts of the country – even if they were in the same region - were in a poor condition.¹⁶⁵ The best opium in Iran was produced in the Yazd and Kerman regions, and specialists from these regions were hired by merchants and landowners to teach cultivators in other provinces to produce opium. Since the improvement in the quality of Iranian opium represent an improvement throughout the country, the necessary knowledge for such quality production must have reached even the most remote regions of Iran. Thus, inadvertently, poppy cultivation and opium production became a vehicle for promoting scientific knowledge necessary for economic development in other fields as well.

Dismissing the success of Iran's opium business, under the assumption that opium is a product with extraordinary appeal for the consumers that does not follow the normal rules of supply and demand, is not only incorrect and unsustainable but also unjustifiably dismissive of the efforts and achievements of Iran's cultivators and merchants and their successful promotion of Iran's opium business in the face of fierce competition. Although it is true that very often cash crops bring instant revenues at the cost of long term stagnation, this was not the case of opium in Qajar Iran. The production of opium required the use of scientific knowledge and scientific methods previously unknown in

¹⁶⁵ Iran did not have any railway until the late stages of the 19th century and even then all that was built was a short line around the capital city of Tehran. Main roads between major urban centers were few and traveling was generally a risky business due to the fear of highwaymen and tribal robbers. Many villages were located in remote disconnected areas with roads that did not even fit a horse-carriage or a bullock.

Iran, the progress which they brought was apparent in the constant improvement in the quality of Iranian opium within just a few decades in the mid-19th century.

Opium revenues may not have re-shaped the Iranian society and economy entirely and cannot be credited with the creation of a middle class and burgeoning industrial capitalism, but opium revenues were certainly not used as a modern tool in the hands of the pre-modern political and economic elite to strengthen its power at the expense of the oppressed lower classes. This would have been true if opium could have been considered as a sort of economic rent, in the sense that it required very little investment; very few people were actually employed in the production process, and; if most of the income generated was received by property-owners who played no productive role. If this was the case, the impact of opium on the economy of Qajar Iran could have been understood as similar to that of oil in 20th century oil-producing states, especially in the Persian Gulf region. However, opium in the 19th century was no rent and Qajar Iran was certainly not a rentier state: The production process was highly labor-intensive, and, not only was the government not the major beneficiary of the opium revenues but even the large merchants who were active in the market could not control it entirely, let alone achieve a monopoly. In fact, the Iranian opium market was very welcoming to new investors of various financial resources who wished to take part in this booming business.

Therefore, it is safe to stipulate that the productive sectors in Iran – in and of themselves – experienced growth and progress during the second half of the 19th-century. There is also enough evidence to show that the results of this progress were felt by large sectors of the society, not simply the ruling elites and the large landowners. Despite being

a major cash crop in Qajar Iran, opium was not the only cash crop and its cultivation in Iran was far from being a monoculture, unlike cotton in Egypt or sugar in the Caribbean Islands. The cultivation of opium-poppies and the production of opium in Iran did not serve foreign interests and was not part of an exploitative capitalist arrangement. In fact, the British Empire actively tried to block the Iranian opium trade which was in direct competition over the Chinese market with British-controlled Indian opium. This leads to the conclusion that when analyzing the economic instability in Iran by the end of the 19th century more emphasis should be put on the personal incompetence in the government and its staunch refusal to undertake comprehensive reform than just on the external pressures by foreign powers.

SECTION 2

CHAPTER 5

By the end of the 19th century, Iran's opium business was established as one of the most important sectors of its economy. Considered by users a product of the highest quality, it attracted the best prices in the Asian markets. The opium revenues which poured into Iran enriched many merchants and were the main source of income for an entire class of peasants, workers, agents, transporters, retailers etc. The customs exacted from exported opium were, by that period, 80-90 percent of all annual customs collected by the kingdom. As observed in the previous chapters, the government was not only aware of the success of the Iranian opium abroad, it also actively encouraged the expansion of its cultivation at home and some high-ranking officials were themselves actively involved in the production and trade of opium. Despite this, the government had actually very little control over the opium business and its management. Iran's was certainly a far cry from the monopolist system developed by the East India Company in the eastern regions of the Indian subcontinent, and not even the indirect control through duties that operated in the western regions of the subcontinent. The smaller role of the government in the opium market meant a smaller share in the revenues which was of course very attractive for merchants who traded with Iranian opium, because it guaranteed them higher profits.

Nevertheless, the last decade of the 19th century and the early decades of the 20th century saw two important developments that forced a change in the Iranian government's policy. The first was the growing financial problems of Iran, which

exacerbated by the end of the 19th century. Like other countries whose currency remained on a silver standard after the 1870s, when almost all the Industrialist European Powers and the US moved to a gold standard, Iran suffered a growing depreciation of its currency. The treasury was burdened by loans taken under outrageous terms by the court from foreign banks, and in order to pay the returns the government had to sell assets, bureaucratic positions and granted concessions for foreigners for mere pittance that was paid directly to the Shah. In their attempts to find new sources of income, both pre-revolutionary and post-revolutionary governments of Iran eyed the enormous revenues of the opium sector as a great potential for increased revenues for the government. But in order to improve the collection of duties, taxes and custom, the government had to first gain a certain amount of control over its production and trade.

Another important development was the intensification of the suspicion and resentment towards opium consumption in Europe and China. This materialized by the end of the 19th century into strong political movements that pressed world governments to control the global opium trade which fed what became to be perceived as a global epidemic of opium addiction. The Iranian government, including the Shah, was probably aware of the rise in opium consumption and held a somewhat negative appreciation of the habit. The international anti-opium campaign was at least familiar to Iranians who visited Europe and the US and certainly those who studied in European Universities for longer periods of time. Until the end of the 19th century the Iranian government either disregarded if not completely ignored these developments. But as the 20th century unfolded Iran found itself in a world that attributed great significance for these issues

which in turn forced Iran to take into consideration the new trend against opium and develop its own “opium policy”.

All the same, the government had to gain some form of control over the market of opium marketing in order to be able to regulate the consumption of opium. Weaving together these parallel developments, this chapter will provide a nuanced understanding of the various forces and interests that shaped Iran’s opium policy in the early decades of the 20th century, and follow Iran’s opium business as it entered a transitional period in which the government attempts to abandon its laissez-faire policy towards opium and move to a position of control and regulation. It is a period in which the dynamics of the opium production and trade became more and more determined by the economic problems of Iran and the social impact of the opium consumption, both in Iran and in the world at large.

I. Production and Trade at the Turn of the Century

The production of opium in Iran reached a certain plateau by the 1890s and its expansion subsided or at least slowed down significantly. From the available information it appears that the maximum annual production capacity of opium in Iran during that period was between 8,000-10,000 chests or between 550-680 metric tons. The statistics show variations in the reported output on different years, but those stem probably from crop failures due to late frosts in April, prolonged droughts or plagues of blight, but the maximum of just around 10,000 chests was not crossed.¹⁶⁶ In fact, this quantity of opium

¹⁶⁶ See a summary report on the trade of Iran in 1908, in which a merchant is quoted saying that the export of opium has declined somewhat in recent years from its previous level of 8,000-12,000 chests annually due to new limitations on the import of opium in China. NAI/FD/Secret-E/March 1909/No. 147-155. In

continued to represent the potential of Iranian opium production through the first half of the 20th century as well.¹⁶⁷ At the same time, as mentioned in the previous chapter, a significant improvement in the quality of Persian opium was noted. A chemical analysis of Persian opium samples conducted in 1896 by Surgeon-Major A. R. W. Sedgefield, the Factory Superintendent and Opium Examiner of the Benares Opium Agency in Ghazipur, revealed that Persian opium, whether purchased in the Persian Gulf or in China, had a very high consistency of 90% on average. Reportedly, the standard consistency of Bihar and Benares opium during that period was 75% and 71% respectively.¹⁶⁸

One probable explanation for the high-quality of the opium from Iran is that adulteration of processed opium – a normal trait in the processing of opium – was reduced to a minimum, which means that it is possible that acreage devoted for poppy-cultivation still expanded during that period, even though the output appears to stagnating. Another possibility is that more attention was devoted for the production of higher-quality opium at the expense of expanding the poppy-cultivation areas. During the 1890s the price of Persian opium doubled and even tripled, which made it one of the most expensive brands of opium in the Far East markets, thus clearly making quality more

that same year, the Iranian delegation reported to the Shanghai Opium Commission that annual production of opium in Iran stands at about 10,000 piculs. USNA/RG 43.2.9/Entries 34-36/Box 1 [International Opium Commission, Shanghai, Vol. 2, Report of the Delegations], pp. 317-318. Unfortunately, statistical data from other British official sources varies in quality. Until the 1890s reports from Iran focused on production in general, but reports from 1890-1910 focus mostly on export from Bushehr, and mostly on the value of the opium export in pound sterling rather than its quantity. However, without additional information about the prices per chest or per lbs. of Iranian opium in the relevant year, it is impossible to tell how much opium was produced, even though the general impression from the data shows that it is within the same framework of revenue from the adjacent periods before and after.

¹⁶⁷ See for example a survey of opium exports and an estimate of production between 1910-1925, in “Report to the Council”, League of Nations – Commission of Enquiry into the Production of Opium in Persia, p. 42.

¹⁶⁸ NAI/FNCD/SRB/September 1895/ 989-991; NAI/FNCD/SRB/June 1896/No. 636-648.

profitable than quantity for the merchants.¹⁶⁹ Production in Iran remained similarly stable in the early 1900s despite the many upheavals of that decade (See Table 3). Production remained more influenced by unexpected weather than the events of the Constitutional Revolution, the political tension in the capital, the deposition of the Shah, the civil war and the elections for the Majlis.

¹⁶⁹ Ibid.

Table 3: Opium Production in Iran, 1906-1925¹⁷⁰

(In Chests of Opium)

Year	Total Production	Export from Bushehr
1906-07	4300	2126
1907-08		3000
1908-09		2772
1909-10		1217
1910-11		542
1911-12		1554
1912-13		1900
1913-14	5137	
1914-15	5834	
1915-16	5327	
1916-17	5118	
1917-18	4997	
1918-19	2435	
1919-20	2163	
1920-21	2435	
1921-22	1705	
1922-23	4404	
1923-24	4606	
1924-25	7182	

¹⁷⁰ NAI/FD/Secret-E/October 1907/No. 112-121; NAI/FD/Secret-E/July 1910/no. 292-294; NAI/FD/Secret-I/March 1914/No. 17-18; "Report to the Council", League of Nations – Commission of Enquiry into the Production of Opium in Persia, p. 42.

The first evidence which testifies that a change in the laissez-faire policy towards opium was considered by at least some in the Iranian government is an affair that took place in 1890. Henry Drummond-Wolff, the British ambassador in Tehran, reported the Foreign Ministry early on April 1890 that he was informed by the Amin-i Sultan about negotiations that were taking place between the Iranian government and the legendary Jewish-Russian banker and railway magnate Lazar Poliyakov to grant him a concession to establish an opium monopoly in Iran. This was during the early stages of the internal strife in Iran which brewed around the Tobacco concession, which was granted to the British Major Talbot and was just announced in the previous month. In its constant attempt to balance between Britain and Russia, the two great Powers competing for influence in Iran as part of the larger strategic competition known as “The Great Game”, this can be seen as an attempt by the Shah’s government to satisfy the Russians, who were no doubt angered by the Tobacco concession granted to a British citizen.

This caused some anxiety among the British representatives. Had the Russians receive a monopoly on Iran’s opium business it would have enabled them to set foot and receive some influence in the Persian Gulf, from where most of the opium was exported, a presence the British were unwilling to suffer and were determined to prevent. In addition, but of lesser importance, several British opium merchants were bound to lose some of their business. In their attempt to thwart the move, the British Legation in Tehran began organizing a coordinated action with the embassies of other European Powers in Tehran to confront the Government of Iran on that subject. Ironically, in the hasty British correspondence that ensued, the argument was raised that an opium concession of that

sort might be a violation of the Turkmanchai Treaty, an argument the Russians themselves raised in protest against the Tobacco Regie later that year.

However, just a week later the Amin-i Sultan informed Sir Drummond-Wolff that no opium concession would be granted, which raises the suspicion that the Iranian government was merely trying to test and see the British response for such a move although a serious proposition was not really discussed.¹⁷¹ Poliyakov himself eventually received a concession to establish a bank in Iran and he founded the Russian Loan and Development Bank in 1891, which together with the British Imperial Bank of Persia monopolized banking in Iran for several decades until a national bank was established by Reza Shah's government. He also received the concession to build the railway between Bandar-i Anzali and Tehran, though this concession did not materialize.

A long-term commercial development that began in the same decade was the growing importance of the Japanese-controlled markets for Iranian opium, parallel to the expansion of the Japanese Empire. China ceded the island of Taiwan (Formosa) to Japan in 1895 as part of the Treaty of Shimonoseki that ended the Sino-Japanese war of 1894. Following its takeover, the Japanese government first banned the use of opium in the island, but quickly changed its policy and declared a government monopoly on all opium sales in the colony. Iranian opium quickly became the most popular brand of opium on the island, and a British report from 1896 shows that the vast majority of the Iranian opium that arrived in Hong-Kong was later transshipped to Taiwan. The report speculates that since Iranian opium was more consistent and rich with morphine, it allowed the

¹⁷¹ NAI/FD/Secret E/June 1890/No. 173-178.

practice of multiple usages of the opium by mixing the ashes of the burned opium with some fresh opium, something that could not be done with the less consistent and less potent brands of Indian opium, a characteristic that no doubt appealed to the poor laboring population of Taiwan.¹⁷² Noticing the popularity of the opium from Iran, a representative of the Japanese government of Taiwan named Mr. Iyanaga was sent in 1899 to the Middle East to survey the opium producing areas in Iran and began discussions in Tehran to negotiate a Commercial Treaty between Iran and Japan, a proposition that was happily received in Iran.¹⁷³

Japan's role in Iran's opium business intensified in the decades that followed as the position of Iranian opium as the leading brand in Taiwan became more and more established. A new route of export was set for Iranian opium intended for that market through Singapore, where it was transshipped directly to Taiwan, and it was no longer sent first to Hong-Kong.¹⁷⁴ In 1909 it was reported that Mitsui, the great Japanese trade, banking, mining and industry conglomerate, was purchasing enormous amounts of Iranian opium annually.¹⁷⁵ In 1914, a report from the British Consul-General in Isfahan, John Lorimer, confirmed that a destination shift indeed occurred in Iran, following the Chinese ban on opium imports that became effective in 1912, and Iranian opium was mainly shipped to either London or Japan and Japanese-controlled areas in East Asia.¹⁷⁶

¹⁷² NAI/FNCD/SRB/A Proceedings/September 1895/No. 989-991.

¹⁷³ NAI/FD/Secret E/February 1900/No. 1-3.

¹⁷⁴ See the report submitted to the Shanghai Opium Commission by the Iranian delegation. "Report of the International Opium Commission, Shanghai, China, February 1-26, 1909," (Shanghai: North-China daily news & herald ltd., 1909), 317-18.

¹⁷⁵ NAI/FD/Secret-E/March 1909/No. 147-155.

¹⁷⁶ NAI/FD/Secret-I/March 1914/No. 17-18, page 2.

This cooperation continued well into the 1920s and 1930s, as Japan became the most important unofficial trade ally of Iran.¹⁷⁷

Parallel to the commercial development of the Iranian opium trade, the anti-opium ideology was gaining more and more support and political power around the world. The notion that opium smoking is a vile and dangerous habit and therefore the global opium trade should be stopped, gained more and more international support, a process that was bound to impact Iran. The growing rates of opium consumption in Iran itself could also no longer be ignored. But let us first review the development of opium consumption in Iran.

II. “Traditional” methods of opium Consumption in Iran

As the production of opium underwent a comprehensive process of modernization in the second half of the 19th century, the consumption of opium in Iran had gone through a significant change of its own at the same time. As mentioned above, opium was consumed in Iran in a variety of forms and formats for many centuries if not millennia: Small pills of processed opium simply called *taryak* or *afyun*; *Kuknar*, which is a sort of a fermented opium drink; simple tea made of boiled opium powder or boiled poppy pods; and other opium concoctions. The alcoholic opium tincture known as Laudanum, so popular in Europe in the early-modern period, was not as popular in Iran due to Islamic limitations on the consumption of alcohol. Generally speaking there was a correlation between the form of the opium consumed and the purpose for which it was consumed.

¹⁷⁷ Numerous sources report that Japanese ships were involved in large-scale smuggling operations of Iranian Opium to East Asia during the 1920s and 1930s, sometimes carrying as much as 100 metric tons of opium on board.

Pills were eaten mostly for health purposes, while opium tea and opium wine were consumed more as recreational and leisure activities. People suffering from fever, pain, diarrhea etc. would consume small pills of opium to address their sickness for the duration of their sickness.

Based on our modern medical knowledge and our understanding of the reasons and causes of diseases, we might say that the consumption of opium in one of those cases merely alleviated the symptoms of the disease, but did not address the cause of the disease itself, which may have been bacteria or a virus, or malfunction of an internal organ etc. However, with the lack of this type of knowledge opium was a powerful remedy that appeared to solve the “problem”. Many, usually men over the age of forty, who did not suffer from any disease in particular, consumed opium regularly in small daily doses as a general remedy for good health.¹⁷⁸ Opium tea, which can be easily brewed by dissolving powdered opium or a piece of opium mass in boiling water with or without the addition of tea leaves, was drunk at the end of meals or by itself as an accompaniment for meetings with family, friends or business associates. The fermented opium brew, *kuknar*, was prepared by specialists and was consumed in mostly leisure settings like the *Chai-Khaneh* (tea shop) or the *Caravan-serai* (a travelers’ road inn).

Still, this “division of labor” between health and pleasure was far from being strict, and the line between them in that context cannot be simply defined. This point is often not easily accepted since our contemporary society tends to separate pleasure from health when it comes to drugs. The attempt to classify opium consumption in pre-modern

¹⁷⁸ Matthee, *The Pursuit of Pleasure*, 209-10.

Iran according to a strict separation between consumption for medical purposes and pleasure represents an anachronistic outlook based on the popular perception of drugs under our current prohibitionist regime. However, unlike the current perception of drug consumption as either medicinal or recreational (but not both!), up until the late Qajar period Iranians viewed the consumption of opium as a medical remedy accompanied by pleasure or as a pleasure with healthy virtues. The strict separation between the two simply did not exist. It is not unlike the medical recommendations often made regarding the health benefits of moderate consumption of red wine and dark chocolate,¹⁷⁹ thus allowing moderate consumption of wine and chocolate to be perceived by consumers as not only enjoyable but also healthy.

The second half of the 19th century saw some significant changes in the consumption of opium in Iran, in terms of the amounts of opium dedicated for local consumption;¹⁸⁰ in terms of the social expanse of consumption, and; in terms of the formats of the opium consumed. Of course, one must take this sort of declaration with a grain of salt since comparing the consumption of opium in Iran before mid-19th century and after it, cannot be made on equal terms. Although a substantial amount of quantitative data regarding the production and export of Iranian opium from the second

¹⁷⁹ The health sections of newspapers and TV shows all over the world are notorious for reporting “positive” findings such as these. They rely on scientific publications such as: P. H. Huang et al., "Moderate Intake of Red Wine Improves Ischemia-Induced Neovascularization in Diabetic Mice--Roles of Endothelial Progenitor Cells and Nitric Oxide," *Atherosclerosis* 212, no. 2 (2010); David T. Field, Claire M. Williams, and Laurie T. Butler, "Consumption of Cocoa Flavanols Results in an Acute Improvement in Visual and Cognitive Functions," *Physiology & Behavior* 103, no. 3-4 (2011). Naturally, research that points to “negative” findings does not get the same coverage in the popular media.

¹⁸⁰ Until the prohibition of opium enacted by the Government of Iran in 1955, practically all the opium consumed in Iran was locally produced. Imported opium, though existed, was insignificant in terms of the Iranian market.

half of the 19th century onward exists, most of the quantitative references and qualitative information regarding opium consumption during the same period relies mostly on estimates and personal impressions reported by travelers and other visitors, which leaves a large margin for possible errors. Even the 1926 report of the League of Nations' (LON) Enquiry Commission sent to Iran to examine the production of opium in the country, points out that "it is practically impossible to give any figures for internal consumption", and mentions that numbers like 20, 30 and even 50 percent were frequently suggested.¹⁸¹ As for the period that preceded the 1850s, we do not even have quantitative estimates but merely passing comments by visitors about the habits of the local population.¹⁸² Although there is no particular reason to doubt that indeed a rise in the consumption of opium did occur in Iran during the second half of the 19th century, one must keep in mind the lack of accurate and conclusive information.

III. Quantitative Rise in Opium Consumption

Despite the absence of statistical data about opium production pre-1850, it may be possible to deduce the rise in consumption of opium in Iran from the existing information. First, we know that most of the opium produced in Iran until the 1850s was meant for local consumption. Although there are some indications that small quantities of Iranian opium were exported to other countries and even other continents already before

¹⁸¹ "Report to the Council", *League of Nations – Commission of Enquiry into the Production of Opium in Persia*. Geneva: Publications of the League of Nations Geneva, December 1926. p. 42.

¹⁸² See the testimonials of several European travelers who visited Iran in the early parts of the 19th century portraying a picture of mostly benign consumption of opium throughout the country, in Matthee, *The Pursuit of Pleasure*, 207-210.

the 1850s, it is quite clear that it was only a small part of Iran's production.¹⁸³ It is probably safe to assume that almost all the opium produced in Iran up until the 1850s was also consumed locally. As mentioned before, the report of Mr. G. Lucas from 1879 that estimates the annual production of opium in Iran in 1859 at 39,000 lbs., or 300 chests of opium, is quite a reasonable one. In addition, it probably represents more or less the average annual production of opium throughout the first half of the 19th century, which was more or less static.¹⁸⁴ Almost all of those 300 chests most probably represent the annual consumption of opium in Iran during that period.

The same report estimates the annual Iranian production by the end of the 1870s stood at 6,500 chests of opium, out of which about one-sixth - or approx. 1100 chests - was dedicated for the local market.¹⁸⁵ This number represents an increase of between three-to-five-fold in local consumption of opium since the 1850s. According to an earlier report by Ronald Thompson, production in Iran in the year 1869 was about 15,500 *man-e shah* which is approx. 1500 chests of opium. Of that amount he estimated that 600-700 *man-e shah*, which is approx. 60 chests of opium, are dedicated for the local market.¹⁸⁶ Although the increase in the production is consistent with the later report by Lucas, the apparent drop in the consumption does not appear compatible. Thompson may have been mistaken about his evaluation of the local market. If we speculate that he mistakenly

¹⁸³ Ibid., 213-14.

¹⁸⁴ Floor, *Agriculture in Qajar Iran*, 434-35.

¹⁸⁵ NAI/FD/General A/September 1879/No. 31-33.

¹⁸⁶ NAI/FD/Political A/July 1869/No. 260.

quoted local consumption as 600-700 *man-e shah*¹⁸⁷ instead of chests, we can see that this figure is compatible with the growth of consumption according to the later Lucas report. Alternatively, if we assume that Thompson was correct we might be able to argue that the profits from exported opium were so lucrative that merchants preferred exporting opium rather than selling it in the local market. Very similarly, merchants preferred during the exact same period to export wheat rather than distribute it in the local markets. Later reports from the region stressed that consumption in Iran, however, was expanding even further. A 1909 report from the Gulf region by Major Percy Cox, argued that consumption in Iran was rising still, and reached a third of the entire annual production. Cox went further to suggest that the expansion of production in Iran in the future might not be for the purpose of export, but to satisfy the growing demand in the local market.¹⁸⁸

How should this expansion in consumption be explained and understood? For many people the answer is quite simple, so simple that it needs no spelling out. The mere existence of increasing amounts of opium in the market increases the consumption. The more opium a country produces or imports - the higher the consumption of opium in that country will be. Yet, though this argument is accepted as common knowledge it is in fact more counter-intuitive than it might appear. First, the connection between mere existence in the market and increased consumption requires a certain “leap of faith” that is both unnecessary and unjustified. To claim that the mere existence of opium in the market somehow causes people to purchase forces one to assume some mystical impact of the product on people’s mind. This mystical connection is not even directly connected to the

¹⁸⁷ Thomson uses the term “shah-mans”.

¹⁸⁸ NAI/FD/Secret-E/March 1909/No. 147-155.

question of addiction, since it is common to believe that even people who are not addicted to opium in a society where more opium becomes present in the market will become addicted. But this irrational explanation is not necessary since there are many other ways to explain the popularization and commercial success of products in a given market than simply their existence in it. For example, products may be liked by people of fame and later popularized among their admirers; products may gain fame by word of mouth; successful marketing campaigns might convince many people to buy a certain product. All those arguments explain how knowledge about a product is gained and translated into desire which translates into consumption.

More importantly, the existing quantitative and qualitative data is sufficient to supply a more reasonable explanation for the rise of opium consumption in Iran. As mentioned above, the collapse of Iran's manual industries and the replacement of their products with imported industrial goods triggered a shift in Iran's economy towards the production of cash crops. Gad Gilbar argues that this development had a positive effect on the peasants' income, and he brings several examples of evidence which demonstrate the improved conditions of the peasants. According to Gilbar "there are various pieces of evidence to show that peasants in many areas had a more diversified daily diet, consuming commodities which they could have hardly afforded before. Sugar, tea, tobacco and opium are perhaps the best examples of articles which peasants consumed in large quantities in the late 19th century."¹⁸⁹

¹⁸⁹ Gilbar Gilbar, "Persian Agriculture," 363.

The rise in the consumption of opium is thus not dissimilar to the rise in consumption of other goods like sugar and tea. What was previously an unaffordable rare luxury for most people became suddenly abundant and affordable for a large segment of the population. No doubt, the consumption of opium was also a marker of social status dependent upon such details as the quality of the opium consumed, the method of consumption, the paraphernalia used, and the social setting in which it is consumed, all reflected a specific social status. Referring to the increase in the consumption of opium as a semi-mystical phenomenon is not only unscientific but also ignores the economic context that provides the more simple and sensible explanation. In any case, despite the slightly ambiguous information regarding the exact amounts of opium produced in Iran, it is clear that local consumption of opium was rising as the 19th century unfolded, and it continued to rise even as the growth in the production of opium moderated and subsided. Clearly, these parallel developments meant that the importance of the internal market for the producers gradually increased.

IV. From Eating to Smoking

Beyond the mere increase of consumption in gross terms there was a change in the patterns of consumption in Iran. The most notable of all was the spread of opium smoking. Opium smoking itself was first introduced into China in the 17th century by Dutch traders from Java who soaked tobacco in boiled opium and called it *madak*. *Madak* was popular in the coastal regions of south China, but it was banned in 1729 by the Imperial Government, fearing that the congregation of *madak* smokers was really a meeting place for heretics and political conspirators. The import and use of pure opium

for medicinal purposes, however, remained legal and thus very quickly many in China turned to smoking pure opium and continued to do so even after the smoking of pure opium was banned as well. Opium smoking became very popular in China and among Chinese communities in East Asia, and later it spread to other communities throughout Asia.¹⁹⁰

It is generally agreed that opium smoking was late to arrive in Iran, although there is no conclusive evidence that explains the circumstances in which this habit took hold in the country. Several sources point to the particularly high number of opium-smokers in the eastern regions of Khorasan and Kerman and suggest that it might mean that opium smoking arrived first to those regions, being the first stop of merchant caravans and pilgrims from East Asia.¹⁹¹ However, this general explanation is insufficient because it would have made the same sense if the smoking of opium had spread in Iran from the southern port cities of Bushehr, Bandar Abbas and Khoramshar, bustling trade centers with passing merchants and travelers from all over Asia. Though there is no conclusive information regarding the beginning of opium smoking in Iran, it is clear though the by the second half of the 19th century it was already quite popular there and its popularity grew as the consumption of opium in Iran expanded in general. Still, this does not mean that opium-eating disappeared. Older men continued to consume their daily dosage of opium pills, but some consumers ate opium for leisure purposes as well. In fact opium-eating was still very common in Iran very much into the 20th century and at least one

¹⁹⁰ Dikèotter, Laamann, and Xun, *Narcotic Culture*, 32-39.

¹⁹¹ Matthee, *The Pursuit of Pleasure*, 211-13.

report points out that opium eating became mildly popular during a period in which the tax on opium for smoking was raised.¹⁹²

V. Social Expansion of Opium Consumption

Another important pattern change was the expansion of opium consumption to new groups in the population who did not consume it before. Although opium-eating was not particularly limited to a specific social group in Iran, up until the 19th century it was mostly consumed by men of a certain status mainly for medical purposes. During the Safavid period it was consumed as a drug of pleasure mostly by courtiers, intellectuals and dervishes in a variety of formats and concoctions. There was no special limit on the consumption of the drug beyond those circles but it was either not particularly popular by the general population or simply too expensive. By the mid-19th century this changed dramatically as opium smoking spread to almost every corner of Iran and was smoked by almost anyone, including young, old, men, women and children – everyone smoked opium. With the successful transition of Iran from subsistence economy to cash-crop economy, the peasants' income increased significantly which gave them the opportunity to purchase new items, to save money and to consume a larger variety they could not consume before, among them was opium. E. G. Browne recounts in his travelogue numerous encounters with opium smokers of all sorts and classes, among them carriage drivers, lower-rank clerks, merchants and intellectuals.¹⁹³

¹⁹² US National Archives (USNA)/RG 170/Box 18/Iran #1 1929-1940/State Department correspondence, June 15, 1932.

¹⁹³ Edward Granville Browne, *A Year Amongst the Persians* (London: A. and C. Black, 1893).

In fact, opium became so popular that in many Tea-Houses where opium was smoked by groups of men as part of their social pastime, the owners used to collect the remains of the smoked opium and the used water of the water-pipes where opium was smoked and prepare a concentrated opium drink called *shireh-ye sokhte*. This highly potent potion was consumed mainly by the poor who could not afford to buy real opium, which is a further indication to the growing popularity of opium even among the poorest classes. Women were also avid opium smokers, a fact that is repeatedly pointed out and marveled at by foreign observers¹⁹⁴ as it appeared to stand in such contrast to what was considered by Europeans, and particularly English ones, the acceptable behavior of women in the late Victorian Era. Respectable women, however, smoked opium at home in family events or during visits of other female friends, and did not attend the Tea-Houses who were mostly the domain of men.

VI. International Opposition to Opium

It is clear though that with the rise of consumption, the general attitude in Iran towards opium consumption gradually changed. This change of mood echoed the more high-toned movement against opium in Europe and the US that culminated into powerful social and political power groups that intensified their campaign against the non-medical use of opium in the late 19th century. Negative attitudes towards the consumption of opium for pleasure existed in Europe already in the Early-Modern period. Sensational descriptions of licentious Orientals drinking exotic opium concoctions became widespread in early-modern Europe as travelogue literature gained popularity. Opium was of

¹⁹⁴ Matthee, *The Pursuit of Pleasure*, 210; Clara Colliver Rice, *Persian Women and Their Ways* (London: Seeley, Service & co., 1923); Neligan, *The Opium Question*.

course a well known medication in Europe, especially in the form of Laudanum, but its use for recreational purposes was not particularly noticed. But as the trading activity of Europeans in East Asia intensified, and particularly the direct involvement of Europeans in the opium trade, the use of opium as a drug of pleasure spread in Europe, accompanied by questions of morality.

By the end of the 18th century Europeans became well-aware that the recreational consumption of opium was not limited to Orientals but also among Europeans themselves. The intellectuals and the artists of the Romantic Era were enchanted by Oriental cultures which they identified as a source for the exotic, pure and authentic and embraced what they imagined as the aesthetics and habits of their imagined Orient. One notable example was Thomas De-Quincy's descriptions of his opium-consumption in the "Confessions of an English Opium-Eater" of which the mere insistence on the adjective "English" in the title was probably meant to pre-empt the automatic association of opium with "the Orient".¹⁹⁵ The highly-publicized scandalous opium consumption habits of the Romantics strengthened the problematic image that opium already had in the West and in fact reinforced the public opposition to opium.

This became an organized social and political movement throughout the 19th century demanding a total global reorganization and restriction of the opium trade in order to eliminate non-medical consumption of opium. Non-religious restrictions on the

¹⁹⁵ Thomas De Quincey, *Confessions of an English Opium-Eater and Other Writings*, ed. Barry Milligan (London; New York: Penguin, 2003), xxxii. Jos Ten Berge suggests the more predictable explanation that it implies a kind of "kinship with exotic Turkish fraternity". Jos Ten Berge, "The Belle Epoque of Opium," in *Smoke: A Global History of Smoking*, ed. Sander L. Gilman and Xun Zhou (London: Reaktion Books, 2004), 108.

consumption of goods – mainly luxury goods, like coffee, sugar, cocoa, tobacco etc. – were not a new phenomenon. Usually those restrictions were initiated by the political elite of a given polity and their application reflected either the elite's suspicion of potential political opponents using luxuries to attract supporters, or (in the spirit of mercantilism) fear that uncontrolled consumption of an imported luxury would cause a potential specie drain that will lead to a financial crisis and other reasons such as that.¹⁹⁶ Moral concerns about the alleged impact of some products on the consumers were also often a driving force behind initiatives to ban this or that product, yet until the early modern period these concerns were in-line with the same dynamic of elite anxieties about keeping the masses under control.

The anti-opium political activism of the 19th-century represented a different kind of dynamics in that it materialized social discomforts into a grass-root movement of the people rather than sporadic actions of the ruling elite. The concerns about society's "moral fiber" originated within the community rather than forced upon it from above. The anti-opium coalition included a wide range of individuals, groups and organizations whose objection to opium was rooted in a variety of reasons of mostly a moral nature, although very often not compatible with each other. For most of those who were against opium in the West, opium was an evil substance like alcohol, the pleasure derived from consuming it was suspicious and dangerous to the soul, and its consumers were corrupted and enslaved to their perverted desires by their continuous consumption. In China, opium

¹⁹⁶ Attempts were made in the late 16th century to ban coffee in Europe, but Pope Clement VIII allowed its consumption. Shah 'Abbas I banned tobacco after he heard that his soldiers spent most of their pay on it. Rudi Matthee, "Tobacco in Iran," in *Smoke: A Global History of Smoking*, ed. Sander L. Gilman and Xun Zhou (London: Reaktion Books, 2004), 58.

was the quintessential symbol of colonialism and exploitation, the substance that caused China's deterioration in every possible aspect: politically, economically and socially. For Chinese nationalists opium was an evil substance used by evil foreign powers to help the humiliation of China. Since the opium trade was one of the cornerstones of the British colonialist enterprise in India, for many in England and other European countries there was a strong connection between the opposition to the opium trade and their opinion of the colonies and the way they were managed. Some believed that colonialism was a noble mission of the West and the opium trade was a shameful stain on this otherwise positive cause. Others, who were opposed to Colonialism altogether, held that the opium trade reveals the evil essence of the entire colonialist project.

Above all that, the consumption of opium was identified by the general public in Europe and the US with everything that was foreign, strange and exotic. Chinese laborers, atheist doctors, flamboyant socialites, all considered morally suspicious and threatening by the majority of mainstream citizens of Europe and the US.¹⁹⁷ Indeed, the smoking of opium was considered a vice even among the most notorious drug trading agency in history, the East India Company. As Owen has shown, the directors of the Company believed that although the smoking of opium was a deplorable vice, it was still better for the greater good (as they saw it) to operate the opium trade responsibly by the EIC's monopoly than irresponsibly by other – less responsible – merchants. “Were it possible to prevent the use of the drug altogether [...] we would gladly do it in

¹⁹⁷ A good introduction to the vast literature on the history of prohibition is chapter 9 – “About Face: Restriction and Prohibition” – in Courtwright, *Forces of Habit*, 166-86.

compassion to mankind; but this being absolutely impracticable, we can only endeavour to regulate and palliate an evil which cannot be eradicated".¹⁹⁸

As the 19th century progressed, the various personalities, communities, organizations and movements who were opposed to opium, gained more and more political power and they made the question of opium, alongside the question of alcohol, a major political issue. There was an important difference though between the anti-alcohol activism and the anti-opium one, as the opposition to opium from a very early stage was handled as a question of international politics. Unlike alcohol, which was locally produced, highly familiar in every class of society and extensively used in Europe and the US, opium was a foreign product that had to be imported from Asia and most of its users were ultimately non-Europeans. While practically anyone can easily produce alcohol in almost any environment, opium required an organized agricultural effort that took place mostly in specific areas in Asia. The anti-opium efforts were thus focused first and foremost on a drastic reduction of opium production and trade, particularly the production and trade of Indian opium. Although anti-opium activists did not neglect efforts to put legal restriction on the consumption of opium in Western countries, and

¹⁹⁸ Court of Directors to the Governor-General in Council, 24 October 1817, *Third Report*, 1831, App. IV, p. 11. Quoted in Owen, *British Opium Policy in China and India*, 103-04. This continued to be the position of several British officials for many years. Notably, Sir Rutherford Alcock, who served in a variety of diplomatic position in China and Japan from the 1840s till his retirement in 1870, maintained a consistent dislike and moral disapproval towards the opium trade. However, he believed that curtailing the opium trade was either undoable or carried to many economic dangers to both the British Empire and China. According to Rutherford "no attempt of the British Government to stop or materially diminish the consumption could possibly avail, or be otherwise than productive of aggravated mischief to India, to China, and to the whole world, by giving a motive for its forced production where it is now unknown, and throwing the trade into hands less scrupulous, and relieved of all those checks which under the British flag prevent the trade from taking the worst characters of smuggling, and being confounded with other acts of a lawless and piratical nature affecting life and property, to the destruction of all friendly or commercial relations between the two races." Alexander Michie, *The Englishman in China During the Victorian Era, as Illustrated in the Career of Sir Rutherford Alcock* (Edinburgh: William Blackwood & Sons, 1900), 197.

indeed they had several successes already in the late 19th century, this effort was secondary to the goal of global control of opium production and trade.

Political pressures in Britain finally led to the parliament's approval in 1893 for the establishment of a Royal Commission on Opium set up to investigate the opium trade in Asia, the impact of the opium trade on India and the impact of opium consumption on China. Surprisingly, the commission's conclusions were that opium was not harmful to Asians; that it was in fact analogous to the consumption of alcohol by Europeans, and; that the Chinese claims about the harm of opium were mostly based on economic concerns rather than medical evidence.¹⁹⁹ However, the mere establishment of the committee was in itself an official British recognition of the problematic moral standing of the opium trade in general.

The acquisition of the Philippines by the US following the Spanish-American War (1898) forced the US to deal with the question of what to do with the legal arrangements for the opium trade in the Islands that it inherited from Spain. The Opium Investigation Committee set up in 1903 by the governor of the Philippines to examine the question of opium in the Islands recommended that the opium trade would become a government monopoly, and the consumption of opium for non-medical use would be prohibited.²⁰⁰

¹⁹⁹ Paul Winther, *Anglo-European Science and the Rhetoric of Empire: Malaria, Opium, and British Rule in India, 1756-1895* (Lanham, Md.: Lexington Books, 2003); Owen, *British Opium Policy in China and India*, 311-28.

²⁰⁰ United States. Philippine Commission. Opium Investigation Committee. et al., *Report of the Committee Appointed by the Philippine Commission to Investigate the Use of Opium and the Traffic Therein and the Rules, Ordinances and Laws Regulating Such Use and Traffic in Japan, Formosa, Shanghai, Hongkong, Saigon, Singapore, Burmah, Java, and the Philippine Islands* (Washington, DC: Govt. Print. Office, 1905).

These two reports, which received much international attention, set the stage for the Shanghai Opium Commission of 1909. For the first time, representatives from a large number of states - including most of the main drug-producing countries – convened together, exchanged information and ideas about the opium question. This was a turning point in the history of opium prohibition as it was the first international acknowledgement that the drug problem should be engaged by international cooperation. The key to the success of the Opium Commission was its inclusive format which helped to secure the participation of the producing countries. Despite their intention to act during the commission to minimize the losses they expected to incur as a result of curtailing the lucrative market for smoking opium, they united by the basic agreement about the dangers of non-medical use of opium and the need to contain its production and trade.²⁰¹

Official representatives from nations all over the world convened again at The Hague in 1912, this time to negotiate an official convention that would represent the combined international effort to control and limit the production and trade all over the world. The Opium Convention signed at The Hague in 1912 laid out a plan to accomplish this goal gradually, allowing nations to make their own decision about their own drug policy while pledging to comply with other states' drug policies, i.e. producing countries could still produce opium and export it to other countries, but they also committed to actively prevent the export of opium from their ports to countries who had forbidden it.²⁰²

²⁰¹ Hamilton Wright, "The International Opium Commission," *The American Journal of International Law* 3, no. 3 (1909); David F. Musto, *The American Disease: Origins of Narcotic Control*, 3rd ed. (New York: Oxford University Press, 1999), 35-37.

²⁰² Musto, *The American Disease*, 49-53; Hamilton Wright, "The International Opium Conference," *The American Journal of International Law* 6, no. 4 (1912).

Beyond the mere edicts of the convention itself, which reflected the negotiated balance point between the various economic interests of the signatory nations, the importance of the 1912 Opium Convention was that it set a 20th-century standard “code of behavior” for nations who wanted to be part of the global family of nations. This was re-affirmed after WWI, by the Treaty of Versailles and the establishment of the League of Nations, as article 295 of the Treaty makes the signing and ratification of The Hague Convention part and parcel of the Versailles Treaty, which practically made it a condition for becoming members of the League of Nations.²⁰³

VII. Early Negative Approaches Towards Opium in Iran

Like the prohibition of slavery, the prohibition of drugs and alcohol represent therefore historical victories of moral motivations over economic interests. However, there is no doubt that the political power of moral concerns is stronger at times when the economic importance of the activity deemed “immoral” is weakened, and stronger alternatives arise. Slavery was crucial for the Southern states economic backbone in the first half of the 19th century, but the rapid industrialization of the Northern states made slavery less important for the Union’s economy. Along the same lines, the unlimited production and trade of opium and opiate drugs was directly and indirectly profitable and beneficial for a large array of merchants, pharmaceutical companies, railroad constructors who employed a large force of Chinese laborers etc. But the industrialization of the late 19th-century and early 20th-century created new opportunities for trade and new kinds of industrial production that required more skilled labor and for which intoxicated

²⁰³ Hugh J. Schonfield, *The Treaty of Versailles, the Essential Text and Amendments* (London: Peace Book Co., 1940).

workers posed a threat.²⁰⁴ Thus, new economic ventures for which opium was not necessary - and sometimes even a direct danger - indirectly enabled the moral and ideological opposition to opium. It is, therefore, to be expected that a significant change of the moral attitude towards opium would be a by-product of a significant economic reform; and the opposite would be the by-product of continuity or stagnation in the market structure.

While the demand for a major reform in the global opium trade became a major political issue in Europe, China and the US, very little of it made an impact on Iran. The history of drug prohibition shows that the prohibitionist drive was usually motivated by a sense of threat, whether it was real, exaggerated or manipulated. This threat may be constructed in many forms, whether it is military, political, economic, racial etc. At one point, the disapproving attitude towards certain behaviors, habits or social activities, becomes a prohibitory attitude as these activities begin to be perceived as dangerous and threatening. In Iran, a certain change in mood towards opium consumption can be traced in the sources towards the end of the 19th century, but it was considerably less intensive as it was in the US and Europe. Up until the second half of the 19th century, most reports show that Iranians had quite a comfortable approach towards the consumption of opium. The French traveler Guillaume-Antoine Olivier, who traveled in the Middle East by the turn of the 19th-century, reported that although opium consumption among Iranians was

²⁰⁴ Technological and infrastructural progress may change the economic status of products, simply by opening up opportunities for trade in other products. Bigger commercial steamboats that appeared in the late 19th century enabled the transportation of commodities that came in big bulks, the shipment of which was previously not feasible. This rendered redundant the relative advantage of opium as a small-bulk high-value commodity. For a discussion of the changing needs of industrial capitalism, see Courtwright, *Forces of Habit*, 173-79.

widespread, few people took it in excess. Other observers from later periods have noted that the consumption of opium was prevalent among all ages, sexes and classes,²⁰⁵ which means that the consumption of opium could not have been perceived as a fringe social phenomenon as it is commonly perceived in our contemporary society.

Some sources suggest that there was a difference in the social perception of opium-smoking as opposed to opium-eating. One source points out early in the 19th-century that as opposed to opium-eating, opium-smoking is condemned by “public morality” in Iran,²⁰⁶ which in itself is an indication that opium smoking was not completely unknown in early 19th-century Iran, but also that on some level there was a social discomfort towards opium even before the large expansion of opium production in the country. Reports from the latter decades of the 19th century emphasize the devastating effect of opium smoking as opposed to the benign effects of opium eating, suggesting that opium smokers were looked upon negatively, disparaged even by the opium-eaters.²⁰⁷ It thus appears that there is something of an accumulation of sources that reveal some similarities between the views of respectable people in Iran and Europe with regards to opium consumption. Yet, since all those reports were made by European observers they must be treated with caution, since even the most sympathetic observers were highly influenced by the heated political debate about opium in Europe.

In his report on his one-year tour of Iran during 1887-1888, E. G. Browne describes the opium habit of many people he met along the way, including his own

²⁰⁵ Matthee, *The Pursuit of Pleasure*, 208-09.

²⁰⁶ Quoted in *Ibid.*, 211.

²⁰⁷ "Opium in Persia," *The Journal of the Anthropological Institute of Great Britain and Ireland* 23(1894).

adventures of opium-smoking. While describing his failed attempt to stop smoking opium after a period of regular smoking, Browne comments:

“"After all," I had said to myself, "a great deal of exaggeration is current about these things; for how few of those in England who talk so glibly about the evils of opium-smoking, and waste their time and other people's money in trying to put a stop to it, have any practical acquaintance at all with it; and, on the other hand, how many of my friends here, when they feel depressed and worried, or want to pass a quiet evening with a few congenial friends in discussing metaphysics and ontology, indulge in an occasional pipe.”²⁰⁸

Note how Browne alludes to the European common perception of opium consumption in the Orient while describing actual opium consumption in the Orient, in what appears to be a remarkable – though tacit – critique of fantasy vis-à-vis reality. Despite the negative conclusion about the physical dependency caused by opium, the reader easily notes that the smoking of opium, portrayed by Browne, is far from being the activity of hopeless misfits who smoke opium with their no-less hopeless friends in a shady, decrepit den. Still, there is an undeniable sense of discomfort with the consumption of opium by Iranians themselves as portrayed by E.G. Browne in passing. One such case is the meeting Browne had with the post-master at a small outpost outside of Shiraz who admits that he “occasionally indulge in a pipe of *tiryak* when depressed in spirits” while consulting Browne “about some disorder of the chest from which he was suffering”. Apologetically he tells Browne “what else is there to do in this desolate spot where there is no society

²⁰⁸ Browne, *A Year Amongst the Persians*, 544.

except these tribesmen?”²⁰⁹ Opium smoking is therefore not something to be proud of, although it is also not something to be too particularly ashamed of.

At the height of the political dispute regarding the Tobacco Concession in the early 1890s, the leading Shiite cleric of the time, Mirza Hassan Shirazi of Najaf, published a religious edict in which he declared all tobacco in Iran unholy since it has been handled by infidels and thus encouraged large segments of the population to refrain from smoking it, which was one of the most important political moves of the famous Tobacco Protest.²¹⁰ In an attempt to repeal the edict, Nasr al-Din Shah wrote the cleric a famous letter in which he engaged in a long debate about the supposed supremacy of the monarchy over the clergy. By the end of the letter the Shah added the following remark:

“A strange service you are doing to the people! Everyone who was not before an opium smoker is now smoking opium. You have given splendid currency to the smoking of Indian hemp (*charas*)! A man won’t give up the *qaliyan* (Iranian water-pipe) for no reason. Inevitably he will go and smoke either opium or hemp or put some other filth which he can get hold of into his *qaliyan* to smoke and become mad, ill and die. Really I am amazed.”²¹¹

Nasr al-Din Shah is quite aware of the rising popularity of opium smoking in his kingdom and he’s also quite aware of the negative results of opium smoking. The most interesting aspect of this remark is that it reflects a sense of responsibility by the court over the general well-being of the subjects, even if the thought of actually doing something about it, not to mention prohibiting the consumption of opium, probably did not cross the Shah’s mind. At the same time the Shah had no reservations about the

²⁰⁹ Ibid., 255-56.

²¹⁰ See the classical study of this episode, Nikki R. Keddie, *Religion and Rebellion in Iran: The Tobacco Protest of 1891-1892* (London: Cass, 1966).

²¹¹ Ann K. S. Lambton, *Qajar Persia: Eleven Studies* (London: I.B. Tauris, 1987), 254.

production of opium itself and the huge profits it brought to the treasury, and he was quite happy to pride himself for this success. When the Shah heard about an enormous profit of 300,000 *tomans* made in a single deal by the famous merchant Amin al-Zarb, he exalted the conditions created by the court that allowed such a profitable deal and made no reference for the dangers of opium smoking that allowed this enormous profit in the first place.²¹²

It should also be noted that Mirza Hassan Shirazi himself was probably aware of the existence of negative feelings toward the smoking of opium. According to a British Foreign Department secret report from Mashhad, “Some of the Ulema of Meshed have submitted a petition to Mirza Hasan Shirazi and asked for orders on certain important points, among which is the use of opium. “It has been brought to the notice of the Mujtahids in question that the Russian nation is being ruined by smoking opium, and he has been asked to limit its consumption to a small quantity or to declare it unclean and forbid its use altogether”.²¹³ Clearly this was an attempt to apply the same methods – so successful in the campaign against the Tobacco Regie – against the smoking of opium. Although it does not appear that Shirazi responded favorably to this request, it reveals that there were certainly some among the clerics who did not approve of opium smoking.

The combination of these anecdotes reveals that at least some among the political elite of the country during the late Qajar period held a negative view of opium, though it did not amount to a serious demand that the consumption of opium in Iran was at any rate

²¹² Mahdavi Mahdavi, *For God, Mammon, and Country*, 73.

²¹³ NAI/FD/Secret F/July 1892/no. 69-86.

a topic the government should pay attention to and maybe even act to control it. It is therefore somewhat surprising that shortly after the end of the Civil War in Iran in 1908 and the re-assembly of the constitutional Parliament (the *Majlis*), the new government decided to cooperate with international anti-opium effort, respond positively to the invitation to participate in the Opium Commission in Shanghai and appoint a delegate. Surely, cultural factors played a role in this development. The second parliament included more liberal-minded representatives and was purged of some of its more conservative members. No doubt, among them were westernized intellectuals who became aware of the western perception of Iranians and western ideas about opium smoking, either during their studies in Europe or through their engagement with Western writings or western visitors to Iran.

Similar to the process in which Iranian men became acutely aware to the European perception of Iranian intricate male sexual practices as homosexual vice, and in response re-configured those practices, it is reasonable that opium smoking became synonymous for some intellectuals with Iran's backwardness.²¹⁴ Of course, there were important differences between the disparities of Iran and Europe regarding sexual practices and leisure-consumption practices. While the shift from the particular Iranian strain of homo-eroticism and homo-sociality to the European heteronormativity required what Najmabadi defines as "re-configuration" aimed at a "demarcation to distinguish homosociality from homosexuality", opium consumption was a different issue. First,

²¹⁴ See Afsaneh Najmabadi, *Women with Mustaches and Men without Beards: Gender and Sexual Anxieties of Iranian Modernity* (Berkeley: University of California Press, 2005), 32-60., for a nuanced reading of this process.

unlike European heteronormativity, European alcohol drinking could not similarly serve as a socially respectable alternative because of the clear Islamic sanctions against it.²¹⁵

Second, opium smoking was not only a unique cultural marker of the Iranian society but it also represented vast economic interests. Either way, the small group of anti-opium proponents was unsuccessful in making a significant impact on the Iranian public opinion, thus, the rejection of opium-smoking remained a marker of elite-snobbery for most of the early decades of the 20th century. Given the financial importance of opium for both the government, the big merchants and landlords and the large number of petty traders, production workers and cultivators, the opponents of the opium could not hope for a lot of public support in their fight against opium. There was certainly no organized or even un-organized grass-root support for anti-opium ideas to speak of during that period.

²¹⁵ Of course, wine drinking by Muslims existed in Iran for centuries and to a certain extent European-style alcohol consumption, i.e. of distilled liquors, became fashionable in early 20th century Iran. My point is that this practice was against the social norm, even if many did not follow that norm, while there was nothing socially deplorable about heteronormativity.

CHAPTER 6

Taking into account the economic importance of opium for Iran and the very mild objection its consumption raised there, Iran's decision to join the international diplomatic efforts against opium right from the start, beginning with the 1909 Opium Commission that convened in Shanghai, was at the very least surprising. Unlike other producing-countries who joined the first Opium Commission, Iran had no clear interest or internal political pressure to end its opium trade.

China was the biggest opium-producer in the world at that time, but the Chinese government and the various nationalist organizations in China were vehemently opposed to opium-smoking. As part of the reforms undertaken by the Chinese government following the demise of the Boxer Rebellion (1898-1901) the government announced its intention to end the smoking of opium in China and published several decrees and edicts which established severe limitations on the production and trade of opium in China, that has been legal since 1860. It also announced a plan to assist addicts to cut their habit and prevent new smokers from joining the ranks of opium abuse. The Chinese Government then turned to curtail the flow of opium into China from foreign countries. It entered into intensive negotiations with the British Government of India and In 1907 both parties signed the Ten-Year Agreement, under which China committed to end the opium production in China itself whereas British India committed to gradually curtail the export of opium to China until it is ended completely by 1917.

In 1908 the Chinese Government went further to take advantage of the fact that it had no treaty relations with Iran and the Ottoman Empire and announced unilaterally that

starting from January 1909 the importation of the Persian and Turkish opium would be strictly limited and continue only through a special licensing system. The amount of opium imported from those two countries would be gradually reduced until the import would cease completely by 1916.²¹⁶ Later on, the Chinese government went further and brought forward the date of complete prohibition of Persian and Turkish opium in China to January, 1st 2012.²¹⁷ The Nationalist government that took control over China after the fall of the Qing dynasty (1644-1912) further intensified its anti-opium efforts setting up forced rehabilitation programs and cracking down on producers and merchants.²¹⁸ However, opium continued to be produced in massive quantities in the areas controlled by the various warlords who did not accept the central government's authority. For the central Chinese government, opium was the fuel that financially energized its internal enemies and weakened its ability to overcome its enslavement to foreign Powers.

The position of the British government of India was more complicated. India's opium business gradually became less and less profitable by the last two decades of the 19th century, a process that continued well into the early years of the 20th century. A variety of both internal and external reasons made opium lose its primary position as the main fuel of British colonialism in India. The early signs of Indian Industrialization, the expanding railroad network, and the rising remunerations for peasants as a result of that, made opium production less attractive for the peasants compared with cotton and wheat. Opium is highly profitable for peasants in regions with poor infrastructure, but as more

²¹⁶ Wright, "The International Opium Commission," 842-3.

²¹⁷ Elizabeth Pauline MacCallum, *Twenty Years of Persian Opium, 1908-1928* (New York: Foreign Policy Association, 1928), 9.

²¹⁸ Dikèotter, Laamann, and Xun, *Narcotic Culture*, 93-145.

roads and railroads were constructed – giving previously remote villages quick access to major international ports - the relative advantages of opium as a high-value small-bulk product that doesn't spoil were rendered pointless. At the same time, the flooding of the East-Asian opium-market with China-grown opium and opium from Iran and the Ottoman Empire pushed the price of opium down in both China and the other South-East Asian markets. The combination of rising costs of production in India itself combined with reduced prices of opium in the international markets meant that opium by the turn of the 20th century was simply not as profitable in India as it was through most of the 19th century.²¹⁹

Facing years of anti-opium campaigns, by the turn of the 20th century, British India was ready to forgo its Indian opium business as long as other countries will not take over its place. The Ten-Year agreement between China and British India for the drastic reduction in the production and trade of opium was a way for the Colonial government to conduct a dignified retreat from a no-longer successful business while deflecting the vehement public criticism over the dubious moral standing of the opium trade. The documents from the period reveal that officials of the Indian government were more

²¹⁹ For three decades up until the 1860s the opium revenues were approximately 30% of the aggregate revenue of India. Between 1880-1894 opium revenues averaged five million pound sterling, which represented about 14% of the aggregate revenue of India. Between 1894-1905 opium revenues fell to three million sterling pounds which represented only 7% of the aggregate revenue of India. Wright, "The International Opium Commission," 661. Of course, the British insistence on the system of balancing the process of Patna and Malwa opium through high custom rates contributed to the deterioration of the trade in Indian opium. See a detailed internal debate in NAI/FNCD/SRB/A Proceedings/August 1896/No. 1083-1094, specifically showing that through the 1890s the trade in Malwa opium was practically conducted at a loss, yet the Indian government refused to lower the pass duty on Malwa opium in order not to harm Patna opium produced in crown lands. The deterioration was reflected not only in terms of price but also in terms of actual sales. During the 1870s, 50,000 chests of Malwa opium were sold annually in China, but by the 1890s that number declined to 30,000 chests alone. NAI/FNCD/SRB/A Proceedings/March 1891/No. 101-103.

troubled by the critique leveled against the Colonial government by the anti-opium political organizations in Europe than they were actually concerned with the ramifications of the opium trade.²²⁰

Much can be learned from the not-insignificant role Iran played as an object for concern among the British officials in India, while internally discussing the Ten-Year Agreement with China under negotiations. The general agreement was that a voluntary curtailment of the Indian opium trade will be quixotic and pointless if Iranian opium will simply take over its place. However, it was pointed out that the opium trade was such an important part of Iran's economy that it was doubtful whether it was feasible at all to expect Iran to abandon it. One official bluntly articulated in his correspondence the British ambivalent approach towards Iranian opium by saying that British loans made to Iran were practically secured by the opium trade and its revenues and therefore, to a certain extent, the British Empire was invested in the Iranian opium trade.²²¹ In 1909, when the British-Indian delegation arrived at Shanghai, the fate of opium in India was already sealed and all the Raj government was looking for was international cooperation that will not weaken the economic power of the Empire.²²²

Unlike Iran, the Ottoman Empire, another main producer of opium, chose to participate in neither the Shanghai Commission nor the later Opium Convention at The

²²⁰ NAI/FD/Frontier A/October 1902/No. 34-36.

²²¹ This was pointed out by a Finance Department bureaucrat named L.W. Dane in NAI/FD/Secret E/October 1907/No. 112-121.

²²² It must be noted that Hong-Kong was not considered part of China and thus the Ten-Year Agreement referred only to the Treaty Ports in China, like Shanghai, but not to Hong-Kong into which opium continued to flow freely. Reporting on the Iranian data concerning opium exports, British officials complain that Iranian officials do not make this distinction and include the opium exported to Hong-Kong under the general rubric of 'China'.

Hague. Other Colonial Powers who presided over successful opium monopolies in their East-Asian colonies, like France, Portugal and the Netherlands, had no opium production activity under their supervision, but merely its purchase and marketing through their respective monopolies.²²³

Thus, to end of the opium trade meant potential political, ideological and moral achievements - and to a certain extent even economic gains - for the Chinese government and the British-Indian government who were responsible together for approximately 70% of the world opium production. The Ottoman Empire, who stood to gain none of those, chose not to cooperate with the anti-opium effort. Unlike China and British India, the Iranian government could not afford to forgo its opium production and trade, since the opium revenues were approximately 5-10% of all its revenues. Opium was practically the main source of foreign currency of Iran before the discovery of oil.²²⁴ Even after the discovery of oil in southern Iran and the establishment of the APOC, opium constituted 8-12% of all export revenues including Oil.²²⁵ At the time, the Chinese unilateral ban on Persian opium imports presented a potential threat to Iranian opium exports while there

²²³ Substantial amounts of opium were indeed produced in Indochina, but this activity was nominally illegal and it did not come under the French Colonial Government's supervision. See Alfred W. McCoy, *The Politics of Heroin in Southeast Asia* (New York, NY: Harper & Row, 1972). Indonesia, then a Dutch colony, was a major producer of Cocaine, but not opium. The question whether or not Cocaine should be included in the Opium Convention was raised during the 1912 Opium Conference, but it was decided to postpone this issue for the time being and it was not considered an object of control and limit until after WWI.

²²⁴ The estimate is based on the Iranian report to the Shanghai Opium Commission, which stated the annual opium revenues are approximately 350,000 tomans. See MacCallum, *Twenty Years of Persian Opium, 1908-1928*, 5. and on Gupta's estimate of Iran's total income by the end of the 19th century at around 5.5 million tomans. Gupta Raj Narain Gupta, *Iran - an Economic Study* (New Delhi: Indian Institute of International Affairs, 1947), 161., 161.

²²⁵ "Report to the Council", *League of Nations – Commission of Enquiry into the Production of Opium in Persia*, p. 42.

were no visible substitute markets which were able to replace it. Moreover, beyond government revenues (which was limited due to their low rates and the limited ability of the government to actually collect them) opium was the main source of income for many influential merchants, and other tens of thousands Iranian who were either directly or indirectly employed in the opium industry, with no alternative sources for their livelihood. Clearly, no one in the government or the *Majlis* could hope to gain political support by promoting a prohibition of opium in the face of fierce resistance by the vested economic interests, as there was no public demand to do so.

Several arguments may be suggested to explain Iran's decision to participate in both the 1909 Opium Commission and the 1912 Opium Conference in a move that appears to be standing against its own interests. First, on a practical level, the Chinese announcement of their plan to gradually end the importation of Persian and Turkish opium was naturally a serious threat for the future of Iran's opium business. The Iranian government may have had good reasons to believe that this was the first sign of additional steps that would limit the commercial options of Iranian opium, thus agreed to cooperate with the international anti-opium effort in order to have a chance to ameliorate the damages it expected to retain from future measures directed against opium in general and Iranian opium in particular. Second, the poor economic situation of Iran and the debts it inherited from the irresponsible Qajar court from before the Constitutional Revolution required a major reform in the structure of the Iranian market and the means of revenue collection for the Government. The focus given by the organizers of the Opium Commission on the *control* of the opium sector in each country as a preceding step to the

imposition of *limits*, must have appealed to the Iranian Government, vying for income while being notorious for its inability to enforce its power over the provinces.

Third, there was an important diplomatic aspect attached to the participation in the opium conferences that went beyond the mere question of opium. In the decades prior to the Constitutional Revolution of 1906, liberal intellectuals repeatedly criticized the Qajar monarchy as a despotic autocracy, blaming the court with selfish mismanagement of the State's affairs, treating Iran as their own private property, oblivious and neglectful for the long-term consequences of their decisions and the effect they might have on the Iranian people. The ongoing mismanagement of the State's affairs by the Qajar rulers and their governments accelerated foreign involvement in the affairs of Iran as the country continued to be a pawn in the global power struggle between the British and Russian Empires. The Anglo-Russian agreement of August 1907, dividing Iran into zones of influence between the two powers, without consulting or even informing the Iranian government, was not only humiliating but also an ominous sign for the new leaders of the country that the fate of Iran as an independent state was not secured.

The new Government believed that in addition to financial and bureaucratic reform, Iran must also pursue a reputation of a civilized country, to become a legitimate member in the family of civilized nations. Iran's participation in the international anti-opium effort should therefore be understood as part of Iran's larger diplomatic effort to recreate Iran as a legitimate member of the International community. This effort and its goals were very similar to the intentions behind the Chinese New Policies reform of the late Qing dynasty, announced in 1905. According to Alan Baumler:

“The entire New Policies reform was heavily influenced by the model of Japan, and the purpose of the reform was to make China into Japan, an Asian nation that was accepted as a member of the international community. The anti-opium campaigns, along with the anti-foot binding campaigns, were the most important aspects of reforms that were to quickly transform the Chinese into modern citizens.”²²⁶

Fourth, beyond the practical re-assessment of Iran’s situation in a new era of global opium prohibition and the diplomatic calculations of Iran’s international status, the post-revolutionary government was no longer indifferent to the opium question. Iran’s participation in the international Opium Commission may also be understood as a manifestation of new concerns in Iran regarding public health. Just like practices of modern hygiene and modern midwifery, curbing the habit of opium smoking was another important step that needed to be achieved in order to modernize the Iranian society. The New Iranians were supposed to be not only people who possess a better knowledge of the world and hold new set of convictions, but also people whose bodies were stronger and healthier, people who led a healthy lifestyle, in which opium smoking had no place.²²⁷

The US government announced its intention to convene a conference on the opium problem in July 1908. The public mood in the US was probably more virulent against opium (and certainly against alcohol) than it was in Europe, but the US Government also hoped to improve its political and economic ties with China through its unequivocal stand against opium. President Roosevelt appointed Dr. Hamilton Wright as

²²⁶ Alan Baumler, *The Chinese and Opium under the Republic: Worse Than Floods and Wild Beasts* (Albany, NY: State University of New York Press, 2007), 234.

²²⁷ Firoozeh Kashani-Sabet, "Hallmarks of Humanism: Hygiene and Love of Homeland in Qajar Iran," *American Historical Review* 105, no. 4 (October 2000); ———, "The Politics of Reproduction: Maternalism and Women's Hygiene in Iran, 1896-1941," *International Journal of Middle East Studies* 38, no. 1 (2006).

a sort of Opium Commissioner and entrusted him with the task to head the American team that would prepare the Opium Commission and direct it. The main participants of the commission were representatives from the US, UK, China, France, Japan and Portugal.

The Iranian government was among the last governments to be approached regarding participation. Though the government responded positively for the invitation, the American ambassador in Tehran found it necessary to comment that the government representatives “manifested a disinclination to participate in the conference”.²²⁸ Instead of sending an official representative from Iran to participate in the commission, the Iranian government appointed Mirza Ja’far Rezaiof, an Iranian merchant who settled in Shanghai, to be its representatives for the Commission. Though certainly honored by this appointment, Mr. Rezaiof was quite shaken by the mission entrusted in his hands and he told Hamilton Wright that he was appointed to “cut his own throat” for his opium imports are bound to cease as a result of the commission. Among his peers for the American delegation, Hamilton Wright was the most consistent advocate of internationalizing the “opium problem”, understanding the wider picture of global opium production and repeatedly pointing out that it was not merely a “Chinese” problem, but one that “should engage the whole world, Occidental as well as Oriental”. He considered the participation

²²⁸ USNA/RG 43.2.9/Entries 34-36/ Box 1, [International Opium Conference, The Hague, Precis], 23 December 1908.

of Iran in the Commission as a success just as much as he considered the non-participation of the Ottoman Empire as a failure.²²⁹

Though each participating country was supposed to conduct a research prior to the meeting, the Iranian government informed the commission that as a result of the “unsettled state of politics at present” in Iran, the Government has not been able to prepare a comprehensive report on the status of Opium in Persia in time for the commission’s assembly, and instead submitted only a brief summary, promising, however, that a conscientious effort was made to ensure that the report will address all issues and furnish whatever statistics that is available. The report declared that the opium business was not monopolized by the government in any way. The annual production is estimated at about 10,000 piculs, of which 2,500 piculs were dedicated for local consumption – partly for medical purposes but mostly for “indulgence in the smoking habit”. Out of the remaining opium: 2,000 piculs were exported to Europe; 500 piculs were exported to Africa and: 5,000 piculs were exported to Hong-Kong and Singapore. According to the report, there was no direct export from Persia to China. It was also reported that of the 5,000 piculs exported to Asia, about 3,000-3,500 piculs were consigned and sent to Formosa, and only the rest was sent to China.

With regards to internal consumption, Iran argued that opium-smoking was not prohibited in Iran “but that habit is not by any means popular (sic!). In fact it was indulged in only by the poorest, lowest classes of the population”. The quality of the

²²⁹ USNA/RG 43.2.9/Entry 47/Box 2 (A personal narrative written by Hamilton Wright during the Shanghai Opium Commission), 25 January 1909; USNA/RG 43.2.9/Entries 34-36/Box 1, Precis, July 1908 – November 1908.

Persian opium is declared to be next in excellence of quality to Indian opium. The government derived an annual income of 350,000 tomans or 70,000£, out of a total value of 600,000£ for the annual exports of opium.²³⁰ A request was made to explain how Iran derives its income from the production of opium, for which the Iranian delegation replies that a provincial tax is levied on the output of the poppy²³¹ of 5 tomans per picul. To this should be added additional 40 tomans per picul as export duty. The Japanese delegation questioned the data supplied regarding the consignment of 3,500 piculs of opium to Formosa, but the Iranian delegation did not reply.²³²

Beyond the statistical information, this report is significant for understanding the meaning of the opium question for the post-revolutionary government of Iran. First, all the various reports regarding the production and trade of opium in Iran from that era estimated the annual output of 8,000 chests and an export of 6,000 chests as the ultimate peak of production in the best of years. Since no survey was conducted in Iran prior to the preparation of the report, the data presented in such a report conveys a certain message. Most probably, this was an implied recognition by the Iranian government of the extensive internal trade in contraband opium. Another possibility is that it is an attempt to stress the importance of opium to Iran's economy in order to prepare the ground for later demands for international assistance to substitute the opium revenues with funds from other sources.

²³⁰ USNA/RG 43.2.9/Entries 34-36/Box 1 [International Opium Commission, Shanghai, Vol. 2, Report of the Delegations], pp. 317-318.

²³¹ It is not clear whether this refers to raw opium collected in the field, or to opium after it is prepared and packed in local factories, although it is probably the latter.

²³² Ibid., p. 319.

Particularly telling was the discussion of the issue of opium consumption in Iran made in the report. On the one hand, it was argued that 2,500 chests of opium were dedicated annually for internal consumption and on the other hand it was argued that opium smoking was not popular. Clearly, to describe the annual consumption of 170 metric tons of opium by a population of approximately 7,000,000 people as not popular is paradoxical to say the least. It should be remembered that the annual consumption in China was estimated at about 100,000 chests, which is about 40 times more than what it was in Iran, while the population of China then was about 50 times larger than of Iran. That is, on average, Iranians consumed more opium than the Chinese during the early decades of the 20th century. Relegating the opium-smoking habit to the realm of the “poorest and lowest classes” shows that contempt for opium-smoking in early 20th century Iran was more than anything else, an internal struggle for hegemony between the westernized, educated, modernized intellectuals, and those they perceived as antiquated, oriental, uneducated populace. In this report, opium smoking as a characteristic pastime activity is used more as a factor that differentiates between the modern and westernized leadership of Iran and the rest of the country than as a moral or a health concern.

This “division of labor” between the upper classes and the masses with regards to recreational consumption of mood changing substances was reinforced by a report from the American Legation in Tehran to Hamilton Wright in which the American Minister differentiated between opium consumption that is rampant amongst the population as opposed to intemperate consumption of alcohol among “those who call themselves the

better class of people and is usually secret”.²³³ Of course, there is ample evidence to show that opium-smoking was far more common among all classes in Iran than the government was willing to admit in front of the whole world.²³⁴ The important point that the Iranian government appears to press in this document is that the situation was under control and that the sovereign government in Iran was fully capable in taking care of it.

Being merely an investigative commission without the authority to discuss and compile binding documents, the Shanghai Commission concluded with merely a list of recommendations. The Commission recognized that “the use of opium in any form otherwise than for medical purposes is held by almost every participating country to be a matter for prohibition or for careful regulation; and that each country in the administration of its system of regulation purports to be aiming, as opportunity offers, at progressively increasing stringency”. The Commission found that almost every country represented had “strict laws which are aimed directly or indirectly to prevent the smuggling of opium, its alkaloids, derivatives and preparations into their respective territories” and recommended the adoption of similar “reasonable measures to prevent at ports of departure the shipment of opium, its alkaloids, derivatives and preparations, to any country which prohibits the entry of any opium, its alkaloids, derivatives and preparations.”²³⁵ Responding to the commission’s recommendations, several countries –

²³³ USNA/RG 43.2.9/Entry 47/Box 3/3 August 1910.

²³⁴ Browne depictions of opium-users in Browne, *A Year Amongst the Persians*. focus mostly on bureaucrats and intellectuals that he meets along his journey. Later testimonials described the prevalence of opium-smoking among all sectors of the society, including state officials, clerics, merchants etc. Neligan relates the same impression in his book about opium in Iran. Neligan, *The Opium Question*.

²³⁵ "International Opium Commission," *The American Journal of International Law* 3, no. 3, Supplement: Official Documents (1909).

including Iran – engaged in a legislation process to deal with the opium problem. Yet, the most important outcome of the Commission was the unofficial resolution to begin work towards a convention with binding authority with the intention to form a treaty.

Following the recommendations of the Opium Commission, the Iranian government initiated what became the first opium legislation of Iran in 1911. The main goal of the bill was to address the problem of opium smoking in Iran, and most of its articles contained stipulations intended to regulate the opium “addicts” and their opium consumption. However, the bill did not address production issues at all and set no limits or new rules regarding the regulation of the opium market. The major stipulation of the bill imposed a new state tax of 2 *shahis* per every *misqal* of prepared opium whether it was for export or not. Since *misqal* equals 1/100 of a British pound (lb.) and a *shahi* is 5/1000 of a toman, this meant a tax of 1 toman per pound or 150 tomans per picul. At the same time, all the previous customs on the export of opium were dropped. Compared with the previous provincial tax rate of 5 tomans per picul, this was an enormous tax increase on opium for local consumption, and even the exemption from the previous custom rate of 40 tomans per picul, still meant a tax increase of over 200% (!) on smoking opium for export.²³⁶

Other articles in the bill deal with the government’s plan to ban the consumption of *shireh-ye sokhte*, a liquid preparations made from residue of smoked opium and in

²³⁶ This calculation of the ratio between the old and new tax rates is only an approximation, since the previous use of ‘picul’ or ‘chest’ as the basic measure from which duties and customs were calculated was clearly problematic and inexact. Most 19th-century references to ‘chests’ of opium are for 150 lbs. chests, but early 20th-century references are mostly for 160 lbs. ones. A picul was defined in Hong-Kong as 133.33 lbs. in 1844, but other variations continued to exist in other major ports of East Asia. In fact, the use of the more accurate ‘misqal’ is in itself significant as a sign for an ambition to make the tax-code less ambiguous and more accurate.

some cases from the refuse water of water-pipes that were used for smoking opium. The preparation was sold to poor customers who were unable to afford opium for smoking, and was considered in Iran to be particularly harmful and addictive. The Opium bill of 1911 ordered all refuse of opium smoking to be turned over to the Ministry of Interior for destruction and promises to pay 3 *shahis* per every *misqal* turned in to the authorities. The government is required by the bill to conduct a survey throughout the country and to register every opium and *shireh* consumer for whom an opium maintenance program of an “appropriate quantity” at a set price will be drafted, although the bill does not specify the method in which the opium would be distributed to the registered addicts – whether by government agencies or supervised private agencies. Following the approval of the bill by the Majlis, the tax on opium is set to be raised annually by 3 *shahis* and the same arrangement will apply to government remuneration for turned-in opium refuse. By the 8th year after the approval of the bill it is proclaimed that all consumption of *shireh* and non-medical opium will become completely forbidden, although opium will continue to be produced and traded for its medical purposes.²³⁷

By closely analyzing the text of the legislation we may arrive at several important conclusions. First, the bill makes absolutely no attempt to prohibit or even limit the production of opium in Iran. Raising the taxes on opium for export was merely an attempt by the government to collect a bigger share of the opium revenues to its treasury. Although, raising the tax level on opium for local consumption to equal the tax on opium

²³⁷ The French translation of the Opium Law was submitted to the secretariat of the First Opium Conference at The Hague. USNA/RG 43.2.9/Entry 45/Int. Opium Conference at The Hague, 1911-1912 - Actes et Document vol. 2, pp. 157-158.

for export may be seen as an act of prohibition-through-taxation, although it is more an intentional boost for export at the expansion of local consumption than an actual act of prohibition.

Two important suppositions guide this legislation and exist within the subtext of the bill. First, that heavy taxation on luxury and vices is an efficient way to reduce the consumption of these luxuries and vices. Second, that eliminating the demand is a more efficient way to fight against the opium trade than trying to eliminate production. Both of these assumptions have been tested many times in the last century and have been proven wrong. The historical experience with heavy taxation on luxuries and vices shows that they turn out to be either too low to make an impact on the consumption of the vice they attempt to curb, or too high to the extent that they drive production, marketing and consumption underground.²³⁸ It also turned out that the assumption that demand can be simply handled, manipulated or forced by the state; that the state could simply legislate and forbid the use of drugs and the citizens would simply obey; these assumptions were simply wrong.

Beyond merely underestimating the power of the consumption habits, demand-side legislation does not take into account the supply side of the equation, the vested interests of the opium producers and merchants and their ability to subvert the government's efforts. The demand-side element of the early Iranian opium legislation had a certain international aspect as well, since it could have been perceived and presented as

²³⁸ See Courtwright's sharp discussion of drug and luxury taxation in the modern era in Courtwright, *Forces of Habit*, 152-65. The pretense of raising taxes over cigarettes and alcohol in order to reduce their consumption is still rampant around the world, though – as Courtwright suggests – it represents more the Government's addiction to taxes than an attempt to fight tobacco and alcohol addiction.

one unit within a chain of similar demand-side legislations in other countries. If demand for opium around the world will diminish, the production of opium will diminish with it. Moreover, presenting this legislation during the Opium Conference at The Hague was a clear signal from the Iranian government that it takes no responsibility over the role of Iranian opium production in the continuation of the opium problem in other countries. The subtext of the legislation is that if every country will separately take control over the demand for opium within its own borders and reduce it, the accumulating result will be that the international production of opium will eventually diminish by itself.

Beyond taking care of exaggerated opium consumption, other topics were more urgent on the agenda of the new post-revolutionary government, first and foremost among them was to repair and reform the country's financial system in order to resurrect the government's treasury from its abysmal situation. Resentful of both Britain and Russia, the two Powers already entangled in a quarrel for control over Iran without much concern for the desires of the Iranians themselves, the Iranian government turned for assistance to the United States, considered at the time a neutral Power in Iranian affairs. Following the recommendation of the American Legation in Tehran, the Iranian government hired Morgan Shuster on May 1911, an American customs collector who worked in the Colonial administration of the Philippines, which was then an American colony. Wasting no time, Shuster made a quick survey of Iran's finances and hired a team of accountants and law enforcement agents to assist him in his financial actions.

However, Shuster's vigorous actions were opposed by the British and Russians who objected any interference in Iranian affairs by any other foreign Power, and were

unwelcoming to the prospect of Iran becoming too independent in its financial affairs. Under severe pressure by both the British and Russian ambassadors, including the bombing of the Iranian Parliament by Russian troops, the Iranian government surrendered and dismissed Shuster on December 1911, coincidentally just as diplomatic representatives from all over the world convened at The Hague for the first sessions of the Opium Conference. Nevertheless, during his short stay in Iran, Shuster was quick to diagnose that under-taxing was the main Achilles Heel of Iran's finances and he suggested a number of steps to increase the government's revenue through taxes on a variety of economic activities, first and foremost among them was the sale of opium. In accordance with the new opium legislation Shuster remarks in his famous report about his time in Iran, "The Strangling of Persia":

"... It should be noted that in theory this tax [i.e. the tax on opium – RR] is prohibitive in Persia, but, as a matter of fact, it is by no means prohibitive, and by following out the ostensible intention of the law the tax could be increased and, at the same time, additional revenue be derived therefrom. This would justify to a greater extent the collection of such a tax by means of the rather expensive organization which was necessary to control the opium traffic."²³⁹

Shuster unwittingly exposed here that the main goal and the real reason behind the Iranian opium legislation was not a struggle to reduce the consumption of opium in Iran, but an increase of the government's revenues. But Shuster points out an important issue in his short analysis, and that is that drug control requires an expensive bureaucratic apparatus to perform the job of control. This apparatus in itself, suggests Shuster, may be

²³⁹ W. Morgan Shuster, *The Strangling of Persia - a Story of the European Diplomacy and Oriental Intrigue That Resulted in the Denationalization of Twelve Million Mohammedans: A Personal Narrative* (New York: The Century Co., 1912), 305.

used as the justification to raise the opium taxes and thus satisfy both the need for additional revenue and the more noble cause of controlling the opium trade in order to reduce consumption. Of course, Shuster may have mistakenly assumed that the anti-opium cause had a larger public support in Iran than it actually had and thus miscalculated the intense antagonism such a move would bring about in Iran, just as he miscalculated the objections of the British and the Russians to his presence and his mission in Iran. Still, Shuster highlighted the potential of opium taxation for the Iranian treasury and the need for an extensive administration to control the production of opium and collect the taxes themselves.

The above analysis of Iran's first opium legislation as a diplomatic tool is not mere speculation and it is well reflected in the Iranian strategy during the International Opium Conference. The conference convened at The Hague on December 1911 and maintained deliberations and negotiations for almost two months, at the end of which, the first International Opium Convention was signed on 23 January 1912. Unlike the unofficial Opium Commission, this time Iran was represented by a high-ranking diplomatic delegation consisting of Mirza Mahmoud Khan, the secretary of The Hague legation with full-powers who represented Iran's interests vigorously throughout the conference. William McAllister writes in his book *Drug Diplomacy in the Twentieth Century*, that in the years leading up to the Hague Opium Conference, "Producing states such as Persia, Turkey, and India considered domestic drug use an internal matter, not

subject to interference by other states. They also insisted on the right to export opium to those states that did not prohibit the trade.”²⁴⁰

But the protocols of the conference reveal that in reality Iran’s position was more complicated than that. Iran was readily inviting discussions about opium consumption not only in other countries but in Iran itself. The Iranian delegation attempted again and again to push the debate on the conference floor towards questions of consumption and the means to eliminate it, while trying to almost forcibly push aside and play down any attempt to discuss opium trade.

Already in the early stages of the conference Mahmoud Khan declared that:

“... as a large exporter, Persia had to show much self-sacrifice in its efforts to deal with this matter. [Persia was] doing [its] best to restrict the use of opium, and had taken steps to bring those whose constitutions were seriously undermined by the opium habit, under the direct control of the government. A law has been promulgated that in eight years time the smoking of opium and *shireh* will be entirely prohibited. [...] The promulgation of this law shows that Persia has not waited for the Conference, but has taken action in regard to this evil habit, which is rightly considered as shameful and degrading. Persia will do its best to carry out the decisions arrived at by the Conference.”²⁴¹

In a conference that dealt mainly with international trade issues, Mahmoud Khan chose to emphasize the steps Iran has taken in order to suppress consumption within its borders, hinting that this is the limit of Iran’s willingness for self-sacrifice. In case the

²⁴⁰ William B. McAllister, *Drug Diplomacy in the Twentieth Century: An International History* (London; New York: Routledge, 2000), 33.

²⁴¹ *Conference Internationale De l’Opium*, Le Haye, 1 Décembre 1911 – 23 Janvier 1912, Actes et Documents, Tome Premier, Proces-Verbaux Officiels, p. 12. The quote is from the official English translation of the minutes which was published “unofficially”. The documents submitted by the delegations during the conference appeared only in French and were not translated into English. Page numbers refer to the English translation.

point of this presentation was not clear, he engaged in self-praise of Iran's position in the face of an "evil habit" that is both shameful and degrading. He also wasted no time to emphasize that as opposed to Iran's cooperation with the conference, "other countries" - hinting to the Ottoman Empire - declined to even join the conference.²⁴²

The pinnacle of the Iranian strategy of gaining the moral high-ground came during a meeting attended by representatives from several European Anti-Opium societies. Mirza Mahmoud Khan gained permission to open the plenary session and following a passionate speech about the moral duty of the participating countries to stamp out opium-smoking once and for all, he proposed a resolution which read:

"It is agreed by all the governments represented in the Conference that prepared opium in international transit is contraband, and that each Government should make provisions for its immediate destruction wherever found in such transit"²⁴³

Clearly, the radical phrasing of the proposal made it certain that it would be rejected by the participating members, and several delegations indeed rejected it almost off-handedly, but it certainly appealed to the attending members of the Anti-Opium coalitions and to the Chinese delegation. The Chinese used this opportunity to attack the governments of Holland and Japan for their policy of setting up opium monopolies with the intention of increasing their profits making no effort at all at reducing the consumption of opium within their territory.

²⁴² Mahmoud Khan requested information about the nations who were not represented in the conference, whether they declined an invitation or simply not invited. He later suggested the Conference would submit its results to "the other nations not here represented" and demand their cooperation. Ibid. p. 10, 16.

²⁴³ Ibid. p. 32-33.

This was a risky move by Mahmoud Khan, for had his original proposal been accepted it would have meant the end of the majority of all Iranian opium exports, but the eventually unanimous rejection of the Iranian proposal meant that Iran gained credit for its moral stand while effectively making no actual sacrifice of its opium trade. A re-phrased proposal suggested by the American delegation and adopted unanimously presented a much softer language about “gradual and effective suppression” of opium manufacture and consumption “with due regard to the varying circumstances of each country”. Over and over again the Iranian delegate made it clear that Iran believed the focus of the conference should be the concern for the recreational or “pleasure-seeking” opium consumers and not the commercial aspects of opium production and trade. As opposed to the Iranian position, the Chinese delegation made it clear that it is their view “... that effective suppression of the production and distribution of opium is the only means of successfully eradicating the evils connected with the abuse of that drug”.²⁴⁴

But the Iranian delegation was in a more difficult position when the discussions revolved around possible limitations on the international trade of opium. While Iran was willing to accept non-committing language that discussed “efforts” to limit the export of opium in general, it consistently opposed any resolution which included clear and direct wording meant any kind of restriction on Iran’s exports of opium. The main point of contention was the demand that the signatories of the Opium Convention would actively prevent the export of opium to countries that had specifically prohibited its import. The first draft of the convention included the following article 3:

²⁴⁴ Ibid. 126

“The Contracting Powers shall take measures, by special Convention or otherwise:

- a. To prevent the exportation of raw opium to countries which prohibit its entry etc.
- b. To control the exportation of raw opium to countries which limit the importation thereof.”²⁴⁵

This article was referred to by the conference as the “Chinese Proposal”, in reference to the recently signed Ten-Year Agreement with Britain and the Chinese unilateral prohibition of opium from Iran and the Ottoman Empire which began its application on January 1st, 1912. No attempt was made to conceal the fact that this article specifically addressed the recent Chinese interdiction of Iranian and Ottoman opium and its expectation for universal compliance and cooperation with that decision, as it was clearly expressed by the Mr. Guesde, the delegate from France.²⁴⁶ Since no other country imposed a sweeping prohibition of opium imports besides China, and since China already reached an agreement with British India to gradually reduce the export of India opium to China, this article was practically focused on the export of Iranian and Ottoman opium. Since the Ottoman Empire was not represented in the conference, the pressure was clearly directed at the Iranian delegation. In response, Mahmoud Khan set out with a fierce attack against what he defined as a misled focus on commercial affairs, which unjustifiably singled out Iran and the Ottoman Empire, and not on the issue of restricting the smoking of opium. He pointed out that Iranian merchants had already begun to take in severe losses as a result of the Chinese ban of Persian Opium imports since January 1st

²⁴⁵ Ibid. 71.

²⁴⁶ Ibid. 85.

1912, but this was an autonomous and legitimate act of the Chinese government. Yet, he observed that if this policy were to be included in the Convention it would create the impression in Iran that the Opium Convention is meant to impoverish Iranian merchants, a move that will make the task of presenting the Convention to the people of Iran and its approval very difficult.²⁴⁷

As shown in the previous chapter, by 1912 Iran had already begun diversifying the destinations of its export and was less dependent upon the Chinese market. The Iranian diplomatic battle against the Chinese proposal should therefore be understood within a broader context of the opium trade, as Iranian merchants were already exploring new trade routes for their opium. Accepting article 3(b) would mean that Iranian Government will accept the responsibility to ensure that the opium exported from its ports is being traded legitimately, a responsibility the Iranian government was reluctant to accept not only because supervising the export information supplied by the merchants was not a feasible task for the Iranian government to perform, but also because the government did not really see itself as responsible to prevent the smuggling of Iranian-produced opium into other countries, especially opium for which all the duties and taxes were already paid.

While battling the Chinese proposal, the Iranian delegation tried to pass alternative resolutions that will not harm the commercial interests of Iran. Mahmoud Khan proposed that the production of opium which contains less than 9% of morphine will be gradually

²⁴⁷ Ibid. 96-99.

suppressed. This was a very sophisticated proposal by the Iranian delegation.²⁴⁸ Asked to explain the purpose of this proposal Mahmoud Khan replied:

“... as it is accepted that the medicinal opium is ‘opium containing not less than 10% of morphia’ and as it is approved that opium should be used only for medical purposes it is justifiable that there should be a gradual suppression of opium containing less than the said percentage. Only opium of lower grade is used for smoking.”²⁴⁹

It was a known fact that standard Iranian raw opium contained an average of 11-13% of morphine and the process of preparing it as smoking opium actually included mixing additives into the opium in order to downgrade its morphine content, since pure Iranian opium was considered as too strong by experienced smokers in China. Indian opium, by contrast, was lower-grade opium that only at its best rose above 7-8% morphine content, which made it unusable for the pharmaceutical market of that period. Since the extraction of morphine was still an expensive process at the time, the European and American pharmaceutical industry was much more inclined to purchase higher-grade opium for the production of opium-based medications, for the distribution of opium directly to pharmacies and for the production of morphine itself. Indian opium had very little success in those markets. The British delegation immediately objected to the proposal arguing that Indian opium, despite its lower grade, was used for medical purposes throughout India where no access to other medical treatment was available.

Though supported by the US delegation, the proposal was rejected by the conference. No doubt this development justifiably increased the Iranian dissatisfaction

²⁴⁸ Ibid. 84.

²⁴⁹ Ibid. 85.

with the fact that proposals that single out the commercial interests of a specific country are rejected, unless that country is Iran.²⁵⁰ Eventually, though the Iranian effort was unsuccessful, at the conclusion of the conference Mahmoud Khan signed the First Opium Conventions but with several reservations, particularly regarding the article demanding a state-action to stop the export of opium to countries who had had forbidden its import, despite the slight changes in phrasing that were made to this paragraph during the conference.²⁵¹

Shuster's forced departure, just as the Opium Conference at The Hague was about to open, was a symbolic defeat for the Iranian government, exemplifying its inability to act independently even in the administration of its own affairs. However, it did not deter the government from trying to establish some form of control over the production and trade of opium. The short study of the history of opium control submitted on 1928 to the League of Nations' Opium Committee, flatly remarks that after the First Opium Conference of 1912 at The Hague, the Iranian delegate, Mirza Mahmoud Khan, merely appeared at the Third Opium Conference at The Hague on June 1914 to promise that his government would soon ratify the Opium Convention and move to enforce it.²⁵²

However, the report fails to mention that in 1913 the Iranian government had in fact undertaken an initiative to enact a set of detailed regulations to compliment the

²⁵⁰ Ibid. 86.

²⁵¹ *Conference Internationale De l'Opium*, Tome Premier, p. 262. In the final version of article 3, article 3(a) calls on the signatories to 'prevent' the export of opium to countries who had forbidden its import and article 3(b) calls on them to 'control' the export to the countries who had installed limits on its import.

²⁵² MacCallum, *Twenty Years of Persian Opium, 1908-1928*, 10.

application of its Opium Law from 1911.²⁵³ If the brief Opium Law of 1911 focused mostly on the opium smoker, the proposed regulations of 1913 focus very intensely upon the opium producers and merchants. The regulations begin with a sweeping declaration in the first article that everything related to opium in Iran is the business of the government:

“The cultivation of the poppy, the manufacture, sale and use of opium shall be placed under the control of the agents of the Government Board of Finance. The Agent shall also be made responsible for the gathering of the duties fixed by the law.”²⁵⁴

The regulations later define that “agent” in the Board of Finance as the Central Opium Board. A meticulous set of instruction then follows which refer to every aspect of the opium business. Specific chapters are devoted to poppy cultivation, manufacture, import, export, collection of opium residue (*shireh-ye sukhteh*), penalties and special provisions. The regulations themselves establish a system of close supervision on every aspect of the opium production process, which would have provided the government a host of rich and specific information, theoretically enabling the government to perfect and maximize its ability to collect taxes from the opium sector: Cultivators are required by the regulations to report at specific times during the period of cultivation on the prospected amount of crude opium that might be collected in their fields; manufacture of prepared opium is limited to approved locations and premises specifically defined to be dedicated for the preparation of opium, cancelling *de facto* cottage production of prepared opium; specific rules define the permissible forms of opium “sticks” to be

²⁵³ Since the regulations were not mentioned by Mahmoud Khan during the Third Opium Conference, it is possible that they remained as a mere proposal and were not approved by the Majlis. A detailed translation of the regulations is brought by a British report from 1914 discussing the proposed regulations and their possible effect at length. NAI/FD/Secret-I/March 1914/No. 17-18.

²⁵⁴ NAI/FD/Secret-I/March 1914/No. 17-18, page 5.

produced for internal consumption; All prepared opium must be surrendered to and stored in an approved Government storage facility; and some additional rules are applied for the import and export of opium in and out of Iran.

Interestingly enough, the regulations stopped short of making opium effectively a government monopoly. The proposed regulations established the government in a mere supervising role, confined to gathering information that would assist the collection of taxes and duties from the opium trade. The government settled with supervision and mere quality assurance, but it took no position in the actual management and direction of the opium market in Iran. Cultivators were required to report on their intention to grow opium poppies, but there was no licensing system, and there were no restrictions with regards to who was allowed or not allowed to cultivate poppies, no limits on acreage allowed for poppy cultivation and no mention of specific qualifications required. Manufacture was indeed limited to pre-approved factories which met certain criteria, but there was no limit on the number of factories or a declaration about the establishment of government facilities for the manufacture of opium. The only example of actual government involvement was the obligatory storage of prepared opium in regional government facilities, but even there the government merely took upon itself the role of stock manager for the merchants, yet refrained from taking any responsibility over the marketing of the drug. Although the opening article of the proposed regulations defined the government's function with regards to opium as "control", the regulations themselves established that control as mere supervision and information-collection.

Even so, within the context of the internal dynamics in Iran the regulations were perceived as highly intrusive and heavy-handed. J. G. Lorimer, the British Resident in the Persian Gulf and the Consul-General for Fars, evaluated the chances of the Persian Government to be able to enforce these regulations as very low. Based on conversations he had with several opium merchants and other agents in the opium business, he concluded that "... the introduction of so close a system of surveillance might be possible in a country under complete control, but will surely be met by the greatest opposition, and lead to disturbances in so unruly a district as Fars". This appears to be a fairly accurate prediction of the difficulties the Iranian government indeed encountered in the 1920s while trying to employ similar regulations and later even monopolize the opium production at the center of Iran's opium business in Isfahan. Later in his report, Lorimer suggested that the regulations might be employed in the larger cities of Isfahan and Shiraz, where apparently some governmental power existed, but might not be applied in the more remote districts of the region, such as Fasa, Darab, Kazerun and Behbahan, where the ability of the government to apply force was lacking.

Analyzing the regulations more closely, he suggested that the demand for accurate information regarding crops and opium sap collection might not encounter opposition but would surely raise many difficulties for the peasants from which the regulations appear to expect too much. As for the demand to cease cottage production of prepared opium, to present seals of approval or to store all prepared opium in government facilities, Lorimer believed these might be impossible to apply. He predicted that as a result of these regulations, much of the opium production would transfer into the more distant hinterland

where the government's power hardly ever reaches and that smuggling would increase through the back roads of the country.²⁵⁵

Either way, the Iranian government did not get an opportunity to follow the enactment of the regulations with enforcement. Whatever attempts took place to establish an opium agency at the Finance ministry and begin the application of the government's control and supervision over the opium business, it all dissipated during the World War that broke just a few months later on July 1914. At the onset of the war, Iran declared neutrality but its neutrality was not respected and it was soon invaded by British, Russian and Ottoman forces, who turned the country into a battleground and a supply base for the occupying Powers who paid very little attention to the desires and needs of the Iranian people. The oil found in the southern regions of Iran just a few years before the war became a crucial strategic asset for the British Empire, as the British fleet was already in a process of switching from coal to oil as fuel for its engines, a process that was accelerated during the war, and the British Empire was determined to secure the Persian Gulf's oil-fields under its control.

Ridden by invaders, the country slipped into administrative chaos and disorder, with the central government in Tehran – already weakened by years of foreign intervention – losing almost all control over the internal affairs of the country. Under these circumstances, the ability of the government to establish control over poppy cultivation and opium production became even more improbable than it was before the war. However, poppy cultivation and opium production continued with very little

²⁵⁵ Ibid.

disturbance. The staggering numbers of wounded soldiers in the various theatres of the war increased the demand for morphine and other narcotic medications. The existing statistical data reveal no particular decline or spike in the production of opium in Iran beyond the normal fluctuations due to weather conditions. Statistics that appear in the report of the Commission of Enquiry sent by the LON to Iran in 1926 reveals that Iran exported on average between 4800-5000 cases of opium annually, throughout the years 1913-1918.²⁵⁶ Even if we take into account that internal consumption, which was normally estimated as 25-30% of the entire production, was lower than usual due the conditions of the war, this was still within the range of normal production in Iran.

Nevertheless, the War intensified the shift of destinations for export of Iranian opium. While the amount of opium exported to Europe and the US stood at 20-40% of Iran's annual production before the Chinese prohibition of 1912, the rate jumped to 50-60% during the few years before the War.²⁵⁷ The war accelerated this process, and during the years 1915-1918, the vast majority of Iran's opium was shipped to the UK and the US. An average of 4,100 cases of Iranian opium was sent annually to Europe and America while only 1200 cases on average were sent annually to East Asia, which means approximately 75% of Iran's opium production became part of the War effort for the Allied forces.²⁵⁸ Some disturbances to the export did occur from time to time, but the

²⁵⁶ "Report to the Council", *League of Nations – Commission of Enquiry into the Production of Opium in Persia*, p. 42.

²⁵⁷ A 1907 memorandum by Percy Cox, the Political Resident in the Persian Gulf, argues that "... 90 percent of opium sent out of Persia by the western frontier at Kermanshah, is destined for Hong-Kong, and ... almost 75 percent of opium exported from Bushire is also consigned to China." NAI/FD/Secret-E/October 1907/No. 112-121/p. 2-3. Opium exports to London as a percent of all Iranian opium exports are detailed in Lorimer's report in NAI/FD/Secret-I/March 1914/No. 17-18/p. 2.

²⁵⁸ MacCallum, *Twenty Years of Persian Opium, 1908-1928*, 20.

British military forces in the Gulf actually tried within the limits imposed by the war, to maintain and protect the trade in southern Iran.²⁵⁹

The inability of the Iranian government to assert its power to establish control over the opium business was only one example of the near-total collapse of the central government's authority by the end of the 1910s, to the point that many believed that Iran as a unified kingdom would not survive for too long. However, the rise of Reza Khan to power in the aftermath of WWI completely changed the doomed course of disintegration predicted for Iran. The re-structuring of the Iranian state in 1920s and the 1930s under the leadership of Reza Khan and the Pahlavi dynasty he founded, and the re-assertion of the Central Government's control over all the country's regions, meant also the successful application of government control over the opium business and the end of uncontrolled production and trade that had characterized this sector for so many years.

²⁵⁹ NAI/FD/War-B/March 1916/No. 27-28. A discussion about a delayed shipment of 30 chests of opium intended for export from the Persian Gulf to Formosa, bought by Ahmad Nemazi for Mitsui Bussan Kaisha Ltd., the merchant branch of the Mitsui conglomerate.

SECTION 3

EPILOGUE

In many respects, the world was a different place by the end of the Great War and a new era of political change, social reform and cultural experimentations began. With the intention to prevent future wars, the victorious Allied Powers established the League of Nations (LON) to supervise the fulfillment of the terms of the Treaty of Versailles and to serve as an ongoing platform of cooperation between the nations not only as a platform for solving conflicts through diplomacy, but also as a tool to promote cultural, scientific, commercial and social cooperation between the nations of the world. The LON was entrusted with the task to solve, regulate and supervise social and cultural problems that were specifically international by nature, such as the problem of refugees, the spread of plagues, child labor, slave trade and the opium trade. Signing and ratifying the Opium Convention of 1912 was made one of the dictates of the Treaty of Versailles and a *de facto* condition for joining the LON and earning the right to participate in its advisory committees.

The Advisory Committee on Traffic in Opium was appointed by the League's council, and it took the role of supervision over the application of the Opium Convention, collection of statistical data regarding the global opium trade and the development of new methods to fight against the ongoing spread of drug abuse and addiction in the world. Though Iran signed the Opium Convention of 1912, it did not ratify it and therefore could not have a participating representative on the Advisory Committee. However, other

Iranian delegates in the League's assembly and other committees were able to represent Iran's interests on matters of opium.

The chaos and disorder in Iran during WWI stripped the government almost entirely from its ability to rule the country and to assert its sovereignty outside the capital Tehran. Rebellions against the government broke out in various parts of the country and local leaders raised the banner of rebellion for ethnic, tribal or even ideological causes. Autonomous areas were declared by local leaders in Azerbaijan and Kurdistan, tribal leaders in Southern Iran refused to accept the government's authority, and even in regions that were nominally loyal to the monarchy and to the government, it was nearly impossible to assert government control, to maintain the security and collect taxes. One of the first acts of the new Soviet Government of Russia after the Bolshevik Revolution of 1917 was the unilateral cancelation of the Anglo-Russian Treaty of 1907 and the withdrawal of all Russian troops from Iran. Yet, foreign military presence in Iran continued as White Russian forces remained in Iran and used it as a base to attack the Red Army and they were assisted by several military expeditions sent by Britain. The British were also supportive of the autonomous aspirations of Shaykh Khaz'al al-Ka'bi of Khuzestan as long as they believed he was capable to maintain security in the region where most of oil-drilling facilities of the Anglo-Persian Oil Company (APOC) resided.

However, in late 1920, a guerrilla force of Iranian socialists aided by the Red Army was preparing to march on Tehran while the current government appeared to be completely incapable of blocking this force. Desperate from their failure to block Soviet advent into Iran, the British came to believe that only a strong unified Iran will be able to

do that and thus protect the British interests in Khuzestan and thus switched their support to a young officer in the recently disbanded Cossack Brigade named Reza Khan who planned a *coup d'état* and the establishment of a more capable government in Tehran. In February 1921 Reza Khan's forces took control of the capital, dissolved the government and appointed Zia al-Din Tabataba'i as Prime Minister, while Reza Khan himself settled for the position of Minister of War, although the real power in Iran remained in his hands. In the next few years Reza Khan's newly created army defeated all the local rebellions and insurrections and either killed, arrested or deported all the autonomous strongmen and independent leaders who challenged Reza Khan's power, and re-affirmed the government's control over all parts of the country. By the end of 1925 the last Qajar Shah was deposed and Reza Khan was crowned as Reza Shah, the first of the Pahlavi dynasty.

Immediately following Reza Khan's rise to power, he put the state's financial system under an extensive reform, a task entrusted once again in the hands of an American adviser, Dr. Arthur Millspaugh, a foreign trade adviser in the State Department. Millspaugh reformed and expanded the collection of taxes that until then were merely dead letter. He established an annual budget, kept it balanced and decreased the deficit, while resisting the demands of Reza Shah to increase the military expenditure. This resistance apparently cost him eventually with his position, as he was dismissed in 1927. His reforms, however, paved the way for a more comprehensive and ambitious plan to re-structure the Iranian society, which the Shah's regime initiated by the end of the 1920s and applied throughout the 1930s.

The plan's major elements can be characterized broadly as centralization, secularization and militarization. Fascinated by the rising power of fascism in Europe, Reza Khan initiated a process of concentrating every political, social and economic aspect of the society in the hands of the government, a path that was nothing short of revolutionary in a country so decentralized as Iran. Schools, banks and hospitals were nationalized and pressure was exerted upon private institutions to become embedded within the state system. The system of concessions was mostly abandoned and the government took upon itself big infrastructural projects. The government attempted to nationalize the religious establishment, limited the rights of clerics, confiscated property that belonged to religious establishments and in some cases clerics were publicly unrobed and forced to shave their beards. Other measures were made in an attempt to install secularism within Iran and to weaken the power of the religious establishment.

Within this context, Iran's opium policy reflected the priorities of the regime, but also exposed its limitations. Just like Shuster before him, Millspaugh quickly recognized the importance of opium for Iran's economy and the potential for revenues to be accrued by the government from this sector. One of the most crucial tests of his tenure was the enforcement of the regulation for opium control in the heart of the opium trade center of Isfahan, where even the Shah's forces encountered strong resistance in carrying out the opium regulations. The arrival of Millspaugh's task force at Isfahan in 1923 provoked an outcry throughout the province that threatened to become a violent eruption. Finally, and only with the assistance of the army, the task force was able to calm the volatile atmosphere and reach some compromises with the major opium merchants of the city.

The most lasting result of the opium regulation reform was the collection of opium sap in government warehouses, since this method was the best way to ensure that the government would be able to exact taxes from the maximum amount of opium produced during that year. The amount of opium stored in the government warehouse in Isfahan during 1923 doubled the amount collected in previous years and that number continued to grow. Millspaugh's approach to opium and his recognition of opium's significance to Iran's economy were unmistakably practical. This was particularly telling, since his incumbency took place during the Prohibition era in the United States and while the opium trade -- particularly that of Iran -- was globally condemned.

In 1928, more than a year after Millspaugh was dismissed from his position, the government of Iran declared the opium sector a state monopoly. The system presented by the government was not unlike the British opium monopoly in the north-eastern regions of India during the 19th century. A licensing system for cultivating opium poppies was established and the peasants were required to sell all the opium sap they collected to government agents. Government facilities were the only facilities permitted to process raw opium into various forms and sizes and merchants were allowed to purchase large stocks of opium from the government for the purpose of export alone. Opium was sold to the public for consumption in special government stores, but also through small private retail businesses. Just like in the early 1920s, violent riots broke out in the opium-producing areas of Southern Iran in which the army had to get involved in order to pacify the resistance. But the state regained control over the situation and the reform went under

way with very mild compromises. Even so, it is clear from many sources that internal smuggling within Iran increased significantly during that period.

In the early 1930s the government attempted to take another step further and declared the export of opium a state monopoly in which a chosen merchant will commit to export a large amount of opium in return for an agreed fee. The concession was granted to Habibulla Amin, a member of the *majlis* and a large landowner himself, who established a syndicate with several partners in order to assemble the necessary funds for this initiative. However, the concession was cancelled after mere two years, mainly since the conditions dictated by the government were unfeasible to fulfill and the merchants involved in this initiative barely managed not to lose money over their investment. After this episode the government did not attempt to monopolize the foreign trade of opium.

Production itself remained stable throughout the Interwar period. Although the official statistics shows fluctuations in the amounts of opium produced and exported, it is safe to assume that any fluctuation in the production of opium that went beyond unexpected weather conditions may be attributed to corruption or smuggling, as the statistics relied on either taxes and duties collected by the government in the 1920s, or the data of the opium monopoly after 1928. By almost all accounts, production throughout this period remained between 8000-10000 chests of opium (580-720 metric tons) and any unaccounted opium was distributed illegally. Despite Iran's official policy that opium control was the first step necessary before the country could move to a regime of limitation. Occasional declarations by the Iranian government about a reduction in the acreage devoted for opium cultivation were met with skepticism by foreign observers,

and particularly by the Opium Advisory Committee of the LON, who pointed out the continued flow of Iranian opium into the global illegal market. Despite the tight control of the country by the new regime, many areas of the country remained outside the reach of the government organs and illegal opium production and trade went on almost uninterrupted.

The state of opium-smoking in Iran during the interwar period went through several interesting developments. Re-fashioning the Iranian society according to the modern-western model became a priority for the new government, influenced with similar projects in Turkey but also in Europe. The new regime planned to recreate the Iranian society anew, body and soul. The modernization of the Iranian society was not limited to ideological and spiritual readjustment in the form of secularization, but also intended to create a new Iranian that was physically fit, healthy and clean. Opium smoking was viewed as a particular problem in the new Iran since the intellectual elite of the Pahlavi era perceived the smoking of opium as synonym to dysfunction, physical debilitation, laziness and backwardness.

There was a clear aspect of social classification when it came to recreational consumption habits. While the upper classes and the westernized intelligentsia smoked tobacco and drank alcohol, opium was considered the drug of the poor and uneducated, despite the fact that many reports from that period point that opium smoking was not particularly less common among the educated higher classes. The government supported research that studied the damage of opium consumption and various aspects of addiction; students were advised not to smoke opium and were warned of the dangers of consuming

it; and politicians made some carefully phrased public expressions of their resentment of opium and the culture it was part of. Various foreign observers continued to point out the enormous number of opium-smokers in Iran and complained that the government is not really making any effort to live up to the standard of its anti-opium rhetoric. One observer explained that opium is not only openly sold to the public but it is also wrapped with an official government banderole, which make people believe that the government approves the smoking of opium and therefore there is no harm in it. Some analysts explained that the opium revenues were simply too important for the government, particularly since opium was one of the only sources of foreign currency the government so desperately needed in order to accomplish its plans for military build-up and infrastructure construction.

Despite all that, several changes that occurred during this period are proof that the government did not completely ignore this issue. Serious attention was given to the question of how many opium smokers there really were in Iran. As mentioned before, as late as 1926, a League of Nation report by a special inquiry commission sent to Iran to examine the state of opium production and trade made it a point to mention the lack of any reliable data about the number of opium smokers in Iran and the enormous gaps between the various estimates brought to the attention of the committee, going as far as 50% of the population. However, studies made Iran during the 1930s placed the number of habitual users at the more reasonable area of 500,000-700,000. In addition, many more Iranians smoked opium more rarely during special occasions, like weddings, or religious festivals. Even though this was a much smaller percentage than the estimation that spoke

of half of the population or even third of it, this was still a very large and alarming percentage of the population (and it continued to grow). Yet, the mere focus on finding out the number of opium smokers reveals that the government was not oblivious to the social impact of opium smoking on the Iranian society, even if eventually the government preferred the opium revenues over strict regulation of the consumption of opium.

In addition, it is also possible to point out a change in the perception of opium smoking in Iran, as it became more and more negative. If before, opium smoking was perceived as a tolerated vice, as long as it was not consumed in excess, then during the interwar period the compass of public morality tilted towards negating opium consumption altogether. Doctors and public health personnel frequently commented negatively about opium consumption, and an image of the opium-smoking villain made some appearances in the literature of that era. However, this was still not translated into political activism that would lead to prohibition or even serious limitations on the consumption and trade of opium.

The most important development of the interwar period was the increased interaction of Iran with the international community with regards to its opium business, particularly with the League of Nations and the US, who did not join the League of Nations. Iran maintained tense relations with the Opium Advisory Committee throughout the interwar period as its compliance with the principles of the 1912 Opium Convention and the 1925 Geneva Convention – both signed, but not ratified by Iran – was partial at best. While India and official China gave up, or significantly reduced, their production of smoking opium, Turkey, who did not participate in the 1912 Opium Conference and did

not sign the Opium Convention, did not join the LON and thus remained outside the supervision of the Opium Advisory Committee. Turkey continued its opium production almost uninterrupted, and even established factories for the production of heroin, while Iran who did sign the Convention and joined the LON, was left alone to bear the grunt of the international community for its continued opium production.

Many scholars pointed out that the anti-opium activism of the US which pushed for the Shanghai Opium Commission and later the Opium Conference at The Hague, was motivated not only by a principled objection to opium smoking but also to gain through the moral principled position against opium more access for American companies to the Chinese markets and resources, which at the time was almost completely monopolized by British Trade. British India was reluctantly dragged into the international campaign against opium, specifically to respond to the public pressure against opium back in England but also as not to appear supportive of the opium trade, so despised in China. Although determined to defend the economic interests of the India opium trade, the Government of India already realized several years earlier that the opium market was dwindling and acted in the decade and a half before the Great War to gradually do away with this industry. The protocols of the Opium Conference at The Hague in 1912 reveal how calculated was the British delegation in its attempt to protect the opium trade and its revenues as much as possible, while keeping up a mere façade of rejection to opium-smoking.

However, after the Great War the atmosphere changed dramatically, as the economic and political interests –although did not disappear – turned secondary to the

humane mission of eradicating opium smoking around the world. Documents of the British Indian government from the first two decades of the 20th century bear a distinct tone of frustration at the extremely negative public atmosphere towards the opium trade, forcing them to act with caution with anything that has to do with the colony's opium policy. A significant shift is observable in documents from the interwar period where the principles of the fight against the opium trade appear as the hegemonic conviction of bureaucrats and politicians; and the economic and political interests became merely constraints from a time passed and only secondary in their importance.

In the early part of the 1920s, the very loose governmental control over the various regions of the country was hardly conducive to any ambition for control of the production and the prevention of smuggling. With the regime change in Iran and the restoration of control over the land by a government that appeared to be determined to modernize Iran along Western lines, the Opium Advisory Committee was hopeful that the new government will ratify the Opium Conventions and soon begin implementing a plan to control and limit the production and trade of opium. However, despite the tight system of monopoly established by the Iranian Government, the Opium Advisor Committee found no evidence that the government was seriously intending to either reduce the production of opium or seriously act to reduce the consumption of opium in the country. Even worse, more and more illegal opium that came for Iran was seized in various raids in Asia, Europe and the US and evidence was mounting that the smuggling of Iranian opium took place not only as a result of the government's negligence but also with indirect and maybe even direct encouragement of the government.

Intelligence reports since the late 1920s describe recurring cases of opium smuggling from Bushehr with the assistance of Japanese ships that appear to enjoy official assistance. The ships would anchor outside the port and then in the late hours of the night, the ships approached the port's external edge, where under the cover of darkness they were loaded with hundreds and maybe even thousands of opium chests. Another smuggling method was the export of opium to Vladivostok, the pacific port town at the south-eastern edge of the Soviet Union. Since the Iranian authorities demanded no evidence from the exporters that the opium they exported was legitimately ordered in Vladivostok, the opium shipments were allowed. Of course, the Soviet Union did not legally import any opium from Iran during the period. The shipments of opium never arrived at Vladivostok since the ships unloaded the opium they were carrying while they passed through the China Sea. A fleet of light junks would approach the ships as they were sailing close to shore and transfer the opium from the ship into land for further processing.

The protests of the Opium Advisory Committee made a very small impact on Iran's policy, and the smuggling of opium continued. The impact of the global economic crisis on Iran and its dire need for foreign currency were the motivations behind Iran's decision to impose no limits on opium production in the country and continue its passive agreement for opium smuggling. The government felt even further pushed for this policy in light of its very mild success in the early 1930s to re-negotiate the terms of the oil concession held by APOC in order to increase the royalties paid to Iran and improve the government's control over the financial activities of the company. That is not to say that

Iran was not willing to give up the opium trade under any circumstances, quite the opposite. The importance of the opium revenues for Iran was understood by the LON Opium Advisory Committee, and the question of how to substitute the opium business was an important part of the Committee's investigative visit to Iran 1926. Various agricultural options were examined; however, the conclusion was that, despite the great potential, given the current state of infrastructure, the lack of railway and the scarcity of good roads, and especially the insufficient amount of water due to the devastating state of the old *qanat* and the absence of modern irrigation facilities.

The 1930s saw some advancement in Iran in terms of transportation as the trans-Iranian railway was completed, connecting Tehran with the Persian Gulf, and some additional cross-country roads were paved. Negotiating with the LON during the late 1930s Iran expressed its agreement to liquidate its opium business in return for international support in the construction of an irrigation system in Southern Iran that will include several large dams, hydro-electric facilities for the production of energy and technical assistance with the integration of substitute crops and industries into the Iranian market. However, the political events in Europe and the still-existing impact of the Great Economic Depression, kept the European members of the LON preoccupied with their own problems, and supporting a massive development and training program during that period just seemed unfeasible.

A more aggressive approach towards Iran was demonstrated by the United States. The Harrison Act of 1914 was the first piece of legislation to limit the opium trade in the US that imposed a special tax on all the aspects of the production and trade of opiates.

Despite being a tax act, the Harrison Act was established as a prohibitive act which served as the legal basis to prohibit opium in the US for many years. The mission to implement the provisions of the Harrison Act was entrusted in the hands of several small organizations established in the early 1920s within the Treasury Department. All of them were later united in 1930 under the Federal Bureau of Narcotics (FBN), which was headed by the legendary “Drug Czar”, Harry J. Anslinger. Loyal to the legacy of Hamilton Wright, the FBN devoted much attention to international developments in the field of drugs, assuming correctly that illegal opiates produced anywhere in the world might end up being smuggled into the US. Closely cooperating with embassies, the FBN kept deeply informed files on the production, consumption and trade (both legal and illegal). FBN agents were occasionally attached to embassies in order to improve the FBN’s supervision and FBN officials negotiated directly with representatives from other countries regarding questions of opium policy. The FBN position on the trade of opiates was no doubt more aggressive and less permitting than that of the LON Opium Advisory Committee, however, limited by the interwar American isolationism that kept the US outside the LON, the FBN could not have direct influence on the LON opium policy.

Unlike the LON, the FBN presented a more severe challenge to Iran’s lax approach towards the smuggling of Iranian opium. FBN files reveal that this organization kept a very close eye on the opium trade in Iran, and its analysis of the situation in Iran displayed cynicism and disbelief in the sincere intentions of the Iranian government to limit the consumption of opium within Iran or its intention to act against smuggling. In 1937, Iranians who asked for opium export licenses to the US were refused a license.

Diplomatic inquiries revealed that the FBN unilaterally applied an unofficial ‘embargo’ on the import of Iranian opium into the US. FBN Documents reveal that already in 1936, pharmaceutical companies who applied for opium import licenses were specifically informed not to purchase opium of Iranian origins. The FBN later voluntarily informed the American Drug Manufacturers’ Association (ADMA) that no licenses will be issued to pharmaceutical companies for the import of Iranian raw opium. Iranian diplomats who tried to negotiate the removal of this policy were answered that until Iran changes its conduct with regards to the smuggling of Iranian opium there will be no legal import of Iranian opium into the US. In a letter sent to the Iranian embassy, the Assistant Secretary of the Treasury explained that the US sees itself as a main sufferer of opium smuggled from Iran and pointed out recent data exposed by the LON about the scale of Iranian opium smuggling. The American embargo over Iranian opium imports was kept in place until the occupation of Iran by the Allied Forces during WWII, when Iranian opium was allowed into the US in order to assist Iran with its wartime financial problems.

When WWII broke out in 1939 Iran declared once again its neutrality, however, for various reasons despite this declaration Iran clearly favored the side of the Axis Powers. The long-time animosity and suspicion towards the imperialist actions of Britain and the Soviet Union were the motivations behind the general sense of sympathy for Germany in Iran. The Shah’s admiration for the European fascist movements, and the identification of many in the Iranian intellectual elite - who received their European education in Germany - with the German culture and the German people, were also important factors. Alarmed by the presence of German spies in Iran and worried about

the security of the oil facilities in Khuzestan, the British embassy followed closely the situation in Iran. Following the German invasion of the Soviet Union in June 1941, the latter joined the Allied Forces. Searching for supply routes to assist the Soviets, Iran was seen as the best possible route. The demands if the British and Soviet governments from Iran to assist the Allied Forces and to remove of all Axis citizens from Iran were ignored by the government. As a result, British and Soviet forces invaded Iran in August of 1941, quickly crushing all resistance by the Iranian army. In September the forces marched in Tehran, arrested Reza Shah, forced him to abdicate and sent him to exile in South Africa, appointing his 18-year old son, Mohammad Reza, in his place. Iran remained occupied throughout WWII serving as a main supply route to the Soviet Union. Foreign troops finally evacuated Iran in 1946.

Iran was thrown into an exciting period of political freedoms but also turbulent internal skirmishes. The total defeat and the dispersal of the Iranian military forces resulted in lawlessness that quickly ensued in the provinces. The immediate result was that opium cultivators refused to hand over their opium sap to the mostly powerless collectors of the opium monopoly. In the spring of 1942 the collection of opium sap by the opium monopoly dropped by almost 80%. The enormous purchases of foodstuff by the Allied forces almost depleted the country's resources and brought about a price increase that brought many Iranian to the brinks of hunger. Under these conditions the illegal trade in opium – often the only secured source of income for many peasants – flourished in Iran. Although the Allied Command in Iran was preoccupied with the mission of supplying the Soviet Union, it did not refrain from supervising the actions of

the new government in Iran. Still, the actual involvement of the Allied Forces in the internal affairs of Iran was kept to a minimum level. Arthur Millspaugh was called back to manage the finances of Iran, only this time with more vigor and authority, since he was a representative of the Allied Forces, not a employee of the government. For the Iranian government this situation was practically impossible. On the one hand, the Allied Command demanded the government to keep the country in order and assist the war effort of the Allied Forces, but on the other hand refused to assist the government in policing tasks. The main concerns of the Allied Command regarding the opium situation in Iran were preventing large-scale addiction among the soldiers stationed in Iran and fighting against opium smuggling.

Like in many preceding wars and in many other wars that followed it, the various theatres of WWII were areas in which soldiers were introduced to drugs. This was particularly true in WWII Iran, where a large amount of non-combating troops were stationed in an area that produced an enormous amount of opium. Many soldiers, stationed in one of the various camps established to secure the “Persian Corridor” from the Persian Gulf to the northern border of Iran, became acquainted with opium during their leaves of absence which they used to hang out in the Iranian towns near their camps. Countless ships carrying important equipment and supply arrived from the US at the Persian Gulf ports in the northern part of the Gulf, from where their shipment was sent north through the Trans-Iranian railway or by convoys of trucks. The empty ships returned to the US to be reloaded with more supply. The authorities soon discovered that those empty ships were used to smuggle opium into the US. In an attempt to control the

situation, FBN agents were conscripted in order to join the Allied Command in Iran to provide assistance for the control of the opium situation in the country.

Demanded by the Allied Command to take control of the cultivation and production of opium and act against opium smuggling, Iranian government representatives replied that with the lack of armed escort – which the American forces in Southern Iran refused to provide – opium collectors were driven away by the peasants. But although this reply appeared to be in line with the regular Iranian feet-dragging from the interwar period, the abdication of the Shah was in fact the beginning of the final episode of legal large-scale opium production in Iran. The disappearance of the previous regime surprisingly brought to the forefront of the political system politicians who were not only opposed to opium smoking, recognized it as a major problem facing Iran, but were also willing to act in order to bring about a change in Iran's opium policy, although the path to prohibition was far from being a smooth road.

Already during WWII the government initiated a new program aimed at checking and curbing opium consumption based on a few simple principles: Distribution of opium was limited to registered addicts who received special coupons for this purpose. After a certain date, new users would not be allowed to join the program. The registered addicts received psychological evaluation and they were also exposed to an aggressive campaign aimed to convince them to abandon their evil habit. The government also announced the prohibition of opium cultivation in certain regions of Iran and promised that more regions will be added to the prohibition in the future. By 1945 the government reported that 125,000 Iranian already registered as addicts out of the estimated 500,000 opium addicts

in the country, but observers were quite skeptical about how serious the government really was in its attempt to take on opium-smoking. The government's approach towards limiting opium consumption appeared naïve and failed to take into account the possibility of smuggling as an alternative source for the supply of opium. In addition, the regions announced as no longer available for opium-poppy cultivation were those where very little opium was produced in any case, thus ceasing the cultivation of opium there made very little impact on the total annual production.

In 1944, an organization dedicated to fight against the opium trade and criminalize opium-smoking was established in Iran for the first time. Unlike its parallel European grass-root anti-opium movements, the Iranian Anti-Opium Society was formed members of the *majlis*, wives of leading politicians, doctors and businessmen. The Society's activities focused mostly on information collection and political pressure on decision-makers in the government. Despite the close affinity between members of the group to the government, the Society's activities were surprisingly oppositional. While the Ministry of Finance supplied data about the annual opium production and trade of Iran, members of the Anti-Opium Society conducted private meetings with the American embassy in which they argued that the real numbers were significantly higher, although the American diplomats tended to favor the government's reports. The Society lobbied members of the *majlis* and government officials in order to push legislation that will limit the production of opium in Iran, and they initiated several lecture campaigns to promote abstinence from opium smoking. The Society was prestigious enough to host the Minister of Finance to speak publicly about Iran's plans to end opium production and fight opium

addiction in Iran in 1945, but the impact of the society should not be exaggerated. It did not break the existing class division within Iran with regards to the social place of opium smoking.

While the majority of Iranians, from the urban middle class to the lower class peasants, continued to hold a relaxed approach to opium smoking as a legitimate social pastime activity, the westernized upper class viewed opium smoking with contempt. In fact, its importance lies in the fact that despite the vibrant burst of democracy in Iran after the abdication of the Shah in 1941, politics in Iran continued to be a closed game of elites that concentrated in the main urban centers, particularly that of the capital Tehran. Even during the most democratic period with the least constraints on the political discourse in the country, political power was carried out along mainly top-down patterns, with very little influential feedback from below.

During the second half of the 1940s the pressure on the government of Iran increased both from the outside and from inside to act further to act more vigorously to solve Iran's problem of opium addiction and promote a policy to would bring Iran closer to the international standards of anti-drug legislation. In 1945 the *majlis* passed legislation that prohibited production and consumption of opium in Iran, yet this bill was rejected by the government who was not bound according to the constitution by such measures of the *majlis*. The UN assembly recommended that all countries that still did not discourage the consumption of opium within their territory to do so as early as possible. American legislation presented in the congress suggested that special measures for checking all shipment from countries who had not yet adopted a drug policy along the

line of the UN recommendations. By 1946, responding to the pressures exerted upon Iran, the government of Iran announced that opium will be completely prohibited in Iran, but once again even this announcement did not materialize into actual prohibition. In fact, this pattern repeated itself several times in the next decade, and even in 1953 the government of Prime Minister Mosaddegh announced the prohibition of opium cultivation and production, only to have these announcements fade into oblivion.

Reports prepared by the FBN and for the FBN reveal the skepticism towards Iran's intentions and its actual ability to prohibit the production and trade of opium. The consumption of opium was too much and acceptable social trait and the production of opium was too engrained within the Iranian economic system. The ongoing financial troubles of Iran who, particularly under the government of Mosaddegh as a result the British-American oil embargo imposed as a response to Iran's nationalization of the APOC. This Skepticism guided the FBN to try and negotiate with Iran to significantly reduce its opium production in return for the US support for an allocation of a quota of the annual licit production of opiates to Iran. However, these efforts were of no avail as the Iranians governments of the period, all eventually preferred unrestricted production of opium over limited production for the licit market of narcotics.

The end of the licit large-scale production of opium in Iran finally came in 1955, following the fall of Mosaddegh's government in the *coup d'état* of August 1953. The re-negotiation of Iran's oil concession and the establishment of the new National Iranian Oil Company (NIOC) raised Iran's share of the oil revenues to 50%. In addition to this enormous addition to Iran's treasury, the post *coup d'état* period made Iran a close ally of

the US and one of the major world recipients of American military and civilian aid funds. The economic boost to Iran's treasury removed the constant shortage of foreign currency that the opium trade helped to relieve throughout the first half of the 20th century. Driven by the ideology of Development, American policy-makers came to believe that it is possible to accelerate Iran's development along the lines of a liberal free-market and bring prosperity to the country that will prevent it from falling prey to subversive communist forces that will deliver Iran to the Soviet Union's sphere of influence. Determined to keep Iran and its enormous oil reserves on the side of the Western World, American funds began pouring into Pahlavi Iran used to construct transportation infrastructure and large project of dams used to revolutionize irrigation in Southern Iran. In fact, all the demands Iran presented to the international community during the 1930s, were now fulfilled by the US AID plan. Thus, the economic factor, which prevented the governments of the 1940s and the early 1950s to prohibit the opium production and trade, was no longer relevant.

Despite the American agreement to support and Iranian request for a quota in the licit global production of opiates, Iran chose to pass on this option and instead liquidate its entire opium production. It was later explained by Iranian officials that at the time they believed that the problem of opium addiction in Iran was closely connected to the local production of opium, a connection that was somewhat similar to the relation of the spread of malaria to the existence of large swamps. Drying the swamps destroys the living environment of the malaria-spreading mosquitoes, and thus in the same manner it was the common belief among the policy-makers that liquidating the opium production in Iran

will solve the problem of opium-addiction in the same manner. Those officials later admitted that at the time they did not estimate correctly the possibility of opium smuggling into Iran and the determination of the opium addicts to carry on their habit.

Thus, a century of large scale opium production, a glorious industry that turned deplorable, came to an end.

CONCLUSION

When commercial production of opium began in Iran sometime in the mid-19th century, opium was a legitimate product of commerce around the world. Daring to enter a market so vigorously controlled by the most powerful nation in the world at the time, the Iranian merchants' initiative was as brave as it was successful. Within a few short decades Iran produced opium that was at least equal in quality to popular Patna opium, and fetched equally high prices. When the government of Iran declared in 1955 a complete prohibition regime on the production, trade and consumption of opium, it was no longer a legitimate item of unrestricted trade in almost every country in the world.

Though its production did not grow significantly for several decades, Iran became one of the biggest producers of opium in the world, as India and China, the former leading producers, significantly reduced their own opium production. The majority of Iran's production during that period was destined, one way or another, for the illegal markets. The world has changed. This dissertation examined the entire period of commercial opium production and presented the development of this sector in Iran's economy, with the intention to understand opium within an internal and external context, the local and the international at the same time, and their interaction. It focused mainly on the first two phases of this period, from 1850 till a little after the end of World War I in 1918, whereas the subsequent period, only briefly surveyed in this dissertation, awaits further processing of the research.

Opium was a familiar product in Iran, but it only became subjected to large-scale commercial production in Iran after the 1850s, when Iran gradually was assimilated into

the global capitalist market. Cheap manufactured goods flooded the markets, creating a crisis in the traditional manual industries. To balance the growing deficit *vis-à-vis* the influx of European finished goods into the country, the agricultural sector underwent a gradual process of transition from a previous focus on subsistence crops to an emphasis on cash crop production. Opium was the ideal product for the Iranian merchants, who could hardly have found another product that was possible to produce in Iran during that period that was equally high-value, small-bulk and easily preserved. Iranian merchants tried to export opium to China, the largest opium market in the world, even before the 1850s, but these attempts were successfully blocked by the East India Company who maintained a tight grip over the Chinese markets.

Only during the second half of the 19th century, conditions were created to enable the export of Iranian opium to China. The legalization of opium in China was followed by a rapid expansion of the opium market there which opened up new opportunities for new brands of opium, like that of Iran, to occupy an important place in the expanding market. The improvement of steamboat navigation and the opening up of the Suez Canal created new possibilities of transportation to China that gave Iranian opium merchants not only quicker and cheaper options to export opium to China, but also enabled them to bypass the British protectionist customs in the Bombay port. Effectively preventing the export of non-British opium to China in a period when ships practically could not cross the Indian Ocean on the way to China without stopping at Bombay, British protectionist customs were no longer able to keep off competitors from the Chinese markets.

Other fortuitous incidental developments, like the crisis of opium prices of 1860 in China and India, assisted the initial introduction of Iranian opium in China, but once it arrived there it became a lasting success. The quality of Iranian opium was constantly improved and the product was continuously re-adjusted to better fit the demands of the Chinese consumer. The feedback process was optimal since the line separating between landowners who encouraged the cultivation of opium in their lands and merchants who used their revenues to buy land for opium cultivation, was blurry. The short-line between the production and trade of opium in Iran constituted a strong incentive for the producers to improve their products. Extensive adulteration, so common in the early days of Iranian commercial opium production, was significantly diminished by merchants who could not sell in China their over-adulterated shipments of opium. Specialization in the cultivation process tripled the average morphine content in Iranian opium within less than 30 years of production, making it higher than that of Indian opium and eligible for the lucrative pharmaceutical-oriented markets in Europe and the US who needed morphine-rich opium as opposed to the Chinese market orientation for smoking-opium, demanding opium with a more moderate morphine-content.

A significant school among the historians of Qajar Iran argues that the transition to cash-crop during the second-half of the 19th century impeded the long-run development of Iran's economy, as it discouraged the advancement of industrial production and strengthened traditional elements of trade instead of creating a middle-class necessary for political development. The development of opium itself as a product and the investment of capital and knowledge that this development necessitated, suggest

that this evaluation may not be entirely justified, because (a) In at least one sector of the agricultural production, and clearly one of the most financially successful one, the success of trade was both the result of investment in knowledge and manufacturing infrastructure and the cause of more of it. (b) The opium sector grew to become an enormous economic echelon that provided for tens of thousands of people, including not only peasants and day-laborers, but also cultivation specialists, production masters and a host of mid-range traders. The opium trade was certainly not an exclusive benefactor of the small layer of export merchants.

The rising availability of opium in Iran cannot explain the rise of opium consumption during that period, certainly not by itself. Increased drug consumption is not connected directly to its mere physical availability. Consumption of specific drugs went up and down in many places around the world without any connection to the availability or its absence of those drugs. Economic and cultural factors are more important in explaining fluctuations of consumption. That said, Iran indeed experienced a significant rise of opium consumption just as the political power of anti-opium groups around the world was at its peak. Despite the developing inconvenience in Iran regarding opium consumption and the growing awareness of the western-oriented intelligentsia to the negative perception of opium consumption in the West, all the governments in Iran until after the abdication of Reza Shah in 1941 did not treat the consumption of opium as a particular concern of the government. Iran did not have a grass-root anti-opium movement until the 1940s and even then the anti-opium cause was remarkably characterized by members of the ruling elite. Though Iran vigorously joined the

international anti-opium effort and was among the original signatories of the first Opium Convention signed in 1912 at The Hague, this was done due to complex economic and diplomatic considerations. Opium in Iran was not a mono-culture, but its revenues were a significant part of the state's income and there were no foreseeable substitutes that could take its place.

Realizing the changing mood in the world towards opium, Iran participated in the anti-opium diplomatic effort in order to minimize the economic problems it predicted will be the result of this effort. Iran also used the anti-opium conference as a stage to promote the status of Iran as a legitimate member of the family of civilized nations, a crucial element for the survival of Iran in the eyes of many Constitutional Revolution-era intellectuals. During the interwar period, the regime of Reza Shah was no doubt concerned about the high-levels of opium consumption in the country, but despite its dictatorial nature, it did not prohibit the consumption of opium. This is a significant for a regime that did not hesitate to dictate a dress code for its citizens and did not shy away from publicly unrobing clerics and forcibly remove the *hijab*, the traditional head garb, off women. The absence of public demands to ban opium and the precedence of financial considerations defined this policy. Only a major restructuring of Iran's economy and the sizable rise in its share of the opium revenues in the post-Mosaddegh era enabled the government to forego its opium sector and to set in place a regime of drug prohibition. Future research into the history of opium during this era may shed light on the social and cultural aspects of opium consumption in Iran. A significant body of research by drug

scholars discusses the close connection between cultural background and the drug experience.

The impact of Iran's turn to commercial opium production is still felt today. Social and economic problems related to drugs, and particularly to opium and its derivatives, haunt present-day Iran. The country still has one of the largest communities of opiates consumers in the world. Neighboring Afghanistan produces almost all the illegal opium of the world and uses Iran en route to the lucrative markets of Europe. Understanding Iran's current drug problems requires knowledge of the long history of opium in that country, which I hope this dissertation has provided.

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